



G.S. AUTO INTERNATIONAL LTD.



Ref: GSA: FIN: 2019

Dated: 21.10.2019

To,

Department of Corporate Services,
Bombay Stock Exchange of India Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI-400001

**SUB: REGULATION 34(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

Dear Sir,


Pursuant to provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the Financial Year ended March 31, 2019.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

For G.S. AUTO INTERNATIONAL LIMITED


(DEEPAK CHOPRA)
Authorized Signatory

G.S. AUTO INTERNATIONAL LIMITED

Regd Office: G.S. Estate, G.T. Road, Ludhiana-141010

Phone : 0161-2511001/2/3/4/5, Fax:0161-2510885

Website: www.gsgroupindia.com

CIN: L34300PB1973PLC003301



NOTICE

(Note: The business of this meeting may be transacted through electronic voting system)

Notice is hereby given that the 45th Annual General Meeting of the members of G.S. Auto International Limited will be held on Monday, September 30, 2019 at 11.00 a.m. at G.S. Estate, G.T. Road, Ludhiana, to transact the following businesses:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jasbir Singh Ryait (DIN: 00104979), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

Special Business:

3. To appoint Mr. Harkirat Singh Ryait (DIN: 07275740) as an Executive Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Harkirat Singh Ryait (holding DIN: 07275740), be and is hereby appointed as an Executive Director of the Company for a period of three years with effect from 14th February, 2019 to 13th February, 2022 on the remuneration and other perquisites as detailed below:-

S. No.	Remuneration	Details
I.	Salary	In the scale of Rs.1,00,000 – Rs. 5,00,000 per month.
II.	Commission	Such percentage of net profits of the Company or such other quantum of net profits of the Company, as may be approved and decided by the Board of Directors.
III.	Perquisites	The perquisites are allowed in addition to salary and commission as per details given below:-
PART “A”		
a)	Housing	<ul style="list-style-type: none"> • Unfurnished accommodation subject to ceiling of 100% of the salary. • If the accommodation is not provided as aforesaid, House Rent allowance shall be paid at minimum of 35% and may be increased up to 100% of the salary payable. • Gas, Electricity, Water and Furniture shall be provided by the Company in respect of Mr. Harkirat

		Singh Ryait residence and these will be valued as per the Income Tax Rules, 1962, as amended from time to time.
b)	Medical Reimbursement	Reimbursement of actual medical and hospital expenses incurred by the appointee (including medical claim insurance premium) on self and his family.
c)	Leave Travel Concession	The expenses incurred on leave travel by the appointee on self and his family is reimbursed once in a year in accordance with the rules specified by the Company.
d)	Club Fees	Fees of clubs, Subscription or any other incidental charges.
e)	Personal Accident Insurance	Payment of premium on personal accident insurance.
PART “B”		
a)	Provident Fund & other funds	Contribution towards Provident Fund and Pension/ Superannuation Fund subject to the rules framed by the Company in this respect.
b)	Gratuity	Gratuity payable not exceeding half a month's salary for each completed year of service subject to the ceiling prescribed by the Central Government from time to time.
PART “C”		
f)	Car & Telephone	The Company shall provide a car with chauffeur and telecommunication facility at residence of the Appointee.
IV	Maximum Remuneration	The Board of Directors is at liberty to alter and vary or may revise the terms & conditions of the agreement to be entered into between the Appointee and the remuneration payable during the Financial Year in such manner as agreed to between the Board of Directors and the Executive Director, subject to the Condition that remuneration by way of salary, perquisites, commission and other allowances shall not exceed such percentage of net profits of the Company as prescribed under Section 197 and Schedule V of the Companies Act, 2013, as may be amended from time to time.
V	Minimum Remuneration	In the event of loss or inadequacy of profits in any year, the Appointee shall be entitled to the aforementioned remuneration and perquisites as minimum remuneration subject to the limits prescribed in Schedule V of the Companies Act, 2013, as may be amended from time to time.
VII	Leave	Earned/ Privileged leave on full pay and allowances as per the rules of the Company not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
VIII	Other Benefits	<ul style="list-style-type: none"> • Such other benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time. • Such other benefits, amenities, facilities as may be provided by the Company to other senior executives from time to time.

G.S. AUTO INTERNATIONAL LIMITED

	<ul style="list-style-type: none"> Such other benefits, amenities, facilities, including those under the Special post Retirement Benefits Scheme as per rules of the Company.
--	--

Explanation: “Family” means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT Ms. Dalvinder Kaur Ryait, Executive Director (holding DIN: 00572812), Mr. Jasbir Singh Ryait, Chairman & Jt. Managing Director (holding DIN: 00104979) and Ms. Amninder Kaur, Company Secretary, be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, to intimate the Stock Exchanges and to take all such steps as may be deemed necessary to give effect to the said resolution.”

4. To appoint Mr. Jasbir Singh Ryait (DIN: 00104979) as Chairman and Joint Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Jasbir Singh Ryait (DIN: 00104979), be and is hereby promoted and re-designated as Chairman and Joint Managing Director of the Company for a period of three years with effect from 16th April, 2019 to 31st March, 2022 on the remuneration and other perquisites as detailed below:-

S. No.	Remuneration	Details
I.	Salary	In the scale of Rs.2,25,000 – Rs. 5,00,000 per month.
II.	Commission	Such percentage of net profits of the Company or such other quantum of net profits of the Company, as may be approved and decided by the Board of Directors.
III.	Perquisites	The perquisites are allowed in addition to salary and commission as per details given below:-
PART “A”		
a)	Housing	<ul style="list-style-type: none"> Unfurnished accommodation subject to ceiling of 100% of the salary. If the accommodation is not provided as aforesaid, House Rent allowance shall be paid at minimum of 40% and may be increased up to 100% of the salary payable. Gas, Electricity, Water and Furniture shall be provided by the Company in respect of Mr. Jasbir Singh Ryait residence and these will be valued as per the Income Tax Rules, 1962, as amended from time to time.

b)	Medical Reimbursement	Reimbursement of actual medical and hospital expenses incurred by the appointee (including mediclaim insurance premium) on self and his family.
c)	Leave Travel Concession	The expenses incurred on leave travel by the appointee on self and his family is reimbursed once in a year in accordance with the rules specified by the Company.
d)	Club Fees	Fees of clubs, Subscription or any other incidental charges.
e)	Personal Accident Insurance	Payment of premium on personal accident insurance.
PART “B”		
a)	Provident Fund & other funds	Contribution towards Provident Fund and Pension/ Superannuation Fund subject to the rules framed by the Company in this respect.
b)	Gratuity	Gratuity payable not exceeding half a month's salary for each completed year of service subject to the ceiling prescribed by the Central Government from time to time.
PART “C”		
f)	Car & Telephone	The Company shall provide a car with chauffeur and telecommunication facility at residence of the Appointee.
IV	Maximum Remuneration	The Board of Directors is at liberty to alter and vary or may revise the terms & conditions of the agreement to be entered into between the Appointee and the remuneration payable during the Financial Year in such manner as agreed to between the Board of Directors and the Chairman and Jt. Managing Director, subject to the Condition that remuneration by way of salary, perquisites, commission and other allowances shall not exceed such percentage of net profits of the Company as prescribed under Section 197 and Schedule V of the Companies Act, 2013, as may be amended from time to time.
V	Minimum Remuneration	In the event of loss or inadequacy of profits in any year, the Appointee shall be entitled to the aforementioned remuneration and perquisites as minimum remuneration subject to the limits prescribed in Schedule V of the Companies Act, 2013, as may be amended from time to time.
VII	Leave	Earned/ Privileged leave on full pay and allowances as per the rules of the Company not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
VIII	Other Benefits	<ul style="list-style-type: none"> Such other benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time. Such other benefits, amenities, facilities as may be provided by the Company to other senior executives from time to time. Such other benefits, amenities, facilities, including those under the Special post Retirement Benefits Scheme as per rules of the Company.

G.S. AUTO INTERNATIONAL LIMITED

Explanation: “Family” means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT Ms. Dalvinder Kaur Ryait, Executive Director (holding DIN: 00572812), Mr. Surinder Singh Ryait, Managing Director (holding DIN: 00692792) and Ms. Amninder Kaur, Company Secretary, be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, to intimate the Stock Exchanges and to take all such steps as may be deemed necessary to give effect to the said resolution.”

5. To re-appoint Mrs. Dalvinder Kaur Ryait (DIN: 00572812) as Executive Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Dalvinder Kaur Ryait (DIN: 00572812), be and is hereby re - appointed as an Executive Director of the Company for a period of three years with effect from 18th st April, 2019 to 17th April, 2022 on the remuneration and other perquisites as detailed below:-

S. No.	Remuneration	Details
I.	Salary	In the scale of Rs. 82,500 – Rs. 5,00,000 per month.
II.	Commission	Such percentage of net profits of the Company or such other quantum of net profits of the Company, as may be approved and decided by the Board of Directors.
III.	Perquisites	The perquisites are allowed in addition to salary and commission as per details given below:-
	PART “A”	
a)	Housing	<ul style="list-style-type: none"> • Unfurnished accommodation subject to ceiling of 100% of the salary. • If the accommodation is not provided as aforesaid, House Rent allowance shall be paid at minimum of 40% and may be increased up to 100% of the salary payable. • Gas, Electricity, Water and Furniture shall be provided by the Company in respect of Ms. Dalvinder Kaur Ryait residence and these will be valued as per the Income Tax Rules, 1962, as amended from time to time.
b)	Medical Reimbursement	Reimbursement of actual medical and hospital expenses incurred by the appointee (including medi-claim insurance premium) on self and her family.

c)	Leave Travel Concession	The expenses incurred on leave travel by the appointee on self and his family is reimbursed once in a year in accordance with the rules specified by the Company.
d)	Club Fees	Fees of clubs, Subscription or any other incidental charges.
e)	Personal Accident Insurance	Payment of premium on personal accident insurance.
	PART “B”	
a)	Provident Fund & other funds	Contribution towards Provident Fund and Pension/ Superannuation Fund subject to the rules framed by the Company in this respect.
b)	Gratuity	Gratuity payable not exceeding half a month's salary for each completed year of service subject to the ceiling prescribed by the Central Government from time to time.
	PART “C”	
f)	Car & Telephone	The Company shall provide a car with chauffeur and telecommunication facility at residence of the Appointee.
IV	Maximum Remuneration	The Board of Directors is at liberty to alter and vary or may revise the terms & conditions of the agreement to be entered into between the Appointee and the remuneration payable during the Financial Year in such manner as agreed to between the Board of Directors and the Executive Director, subject to the Condition that remuneration by way of salary, perquisites, commission and other allowances shall not exceed such percentage of net profits of the Company as prescribed under Section 197 and Schedule V of the Companies Act, 2013, as may be amended from time to time.
V	Minimum Remuneration	In the event of loss or inadequacy of profits in any year, the Appointee shall be entitled to the aforementioned remuneration and perquisites as minimum remuneration subject to the limits prescribed in Schedule V of the Companies Act, 2013, as may be amended from time to time.
VII	Leave	Earned/ Privileged leave on full pay and allowances as per the rules of the Company not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
VIII	Other Benefits	<ul style="list-style-type: none"> • Such other benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time. • Such other benefits, amenities, facilities as may be provided by the Company to other senior executives from time to time. • Such other benefits, amenities, facilities, including those under the Special post Retirement Benefits Scheme as per rules of the Company.

Explanation: “Family” means the spouse, the dependent children and dependent parents of the appointee.

G.S. AUTO INTERNATIONAL LIMITED

RESOLVED FURTHER THAT Mr. Jasbir Singh Ryait, Chairman and Jt. Managing Director (DIN: 00104979), Mr. Surinder Singh Ryait, Managing Director (DIN: 00692792) and Ms. Amninder Kaur, Company Secretary, be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, to intimate the Stock Exchanges and to take all such steps as may be deemed necessary to give effect to the said resolution.”

6. To appoint Mrs. Amarjit Kaur Ryait (DIN: 00572776) as Executive Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Amarjit Kaur Ryait (DIN: 00572776), be and is hereby re - appointed as an Executive Director of the Company for a period of three years with effect from 18th April, 2019 to 17th April, 2022 on the remuneration and other perquisites as detailed below:-

S. no.	Remuneration	Details
I.	Salary	In the scale of Rs.10,000 – Rs. 1,50,000 per month.
II.	Commission	Such percentage of net profits of the Company or such other quantum of net profits of the Company, as may be approved and decided by the Board of Directors.
III.	Perquisites	The perquisites are allowed in addition to salary and commission as per details given below:-
PART “A”		
a)	Housing	<ul style="list-style-type: none"> • Unfurnished accommodation subject to ceiling of 100% of the salary. • If the accommodation is not provided as aforesaid, House Rent allowance shall be paid at minimum of 40% and may be increased up to 100% of the salary payable. • Gas, Electricity, Water and Furniture shall be provided by the Company in respect of Ms. Amarjit Kaur Ryait's residence and these will be valued as per the Income Tax Rules, 1962, as amended from time to time.
b)	Medical Reimbursement	Reimbursement of actual medical and hospital expenses incurred by the appointee (including medi-claim insurance premium) on self and his family.
c)	Leave Travel Concession	The expenses incurred on leave travel by the appointee on self and his family is

		reimbursed once in a year in accordance with the rules specified by the Company.
d)	Club Fees	Fees of clubs, Subscription or any other incidental charges.
e)	Personal/Accident Insurance	Payment of premium on personal accident insurance.
PART “B”		
a)	Provident Fund & other funds	Contribution towards Provident Fund and Pension/ Superannuation Fund subject to the rules framed by the Company in this respect.
b)	Gratuity	Gratuity payable not exceeding half a month's salary for each completed year of service subject to the ceiling prescribed by the Central Government from time to time.
PART “C”		
f)	Car & Telephone	The Company shall provide a car with chauffeur and telecommunication facility at residence of the Appointee.
IV	Maximum Remuneration	The Board of Directors is at liberty to alter and vary or may revise the terms & conditions of the agreement to be entered into between the Appointee and the remuneration payable during the Financial Year in such manner as agreed to between the Board of Directors and the Executive Director, subject to the Condition that remuneration by way of salary, perquisites, commission and other allowances shall not exceed such percentage of net profits of the Company as prescribed under Section 197 and Schedule V of the Companies Act, 2013, as may be amended from time to time.
V	Minimum Remuneration	In the event of loss or inadequacy of profits in any year, the Appointee shall be entitled to the aforementioned remuneration and perquisites as minimum remuneration subject to the limits prescribed in Schedule V of the Companies Act, 2013, as may be amended from time to time.
VII	Leave	Earned / Privileged leave on full pay and allowances as per the rules of the Company not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
VIII	Other Benefits	<ul style="list-style-type: none"> • Such other benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time. • Such other benefits, amenities, facilities as may be provided by the Company to other senior executives from time to time. • Such other benefits, amenities, facilities, including those under the Special post Retirement Benefits Scheme as per rules of the Company.

Explanation: “Family” means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT Mr. Jasbir Singh Ryait, Chairman and Jt. Managing Director, Mr. Surinder Singh Ryait, Managing Director and Ms. Amninder Kaur, Company Secretary, be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, to intimate the Stock Exchanges and to take all such steps as may be deemed necessary to give effect to the said resolution.”

7. To appoint Mr. Pardeep Sehgal (DIN: 08355909) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) of enactments thereof for the time being in force), Mr. Pardeep Sehgal (DIN: 08355909) who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective from February 14, 2019 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for the term of Five consecutive years with effect from February 14, 2019 to February 13, 2024 and the term shall not be subject to retirement by rotation.

8. To re-appoint Mr. Iqbal Singh (DIN: 06692349) as Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re -enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Iqbal Singh (DIN: 06692349) who was appointed as an Independent Director of the Company for a term of five years by the members at the 40th Annual General Meeting held on 30th September, 2014, in terms of Section 149 of the Companies Act, 2013, be and hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years from the date of 45th

Annual General Meeting till the conclusion of 50th Annual General Meeting, without being liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to the above resolution.”

9. To re-appoint Mr. Upkar Singh Ahuja (DIN: 01588157) as Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re -enactment thereof for the time being in force), Mr. Upkar Singh Ahuja (DIN: 01588157) who was appointed as an Independent Director of the Company for a term of five years by the members at the 40th Annual General Meeting held on 30th September, 2014, in terms of Section 149 of the Companies Act, 2013, be and hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years from the date of 45th Annual General Meeting till the conclusion of 50th Annual General Meeting, without being liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to the above resolution.”

10. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), M/s Pawan & Associates, Cost Accountants, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid remuneration as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary,

proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties (as per details mentioned in the Statement annexed to the notice) for availing and/ or rendering of any services.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums involved in the proposed transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and to do all acts, deeds, matters and things that may be necessary, proper or expedient thereto for the purpose of giving effect to this resolution.”

By order of the Board
For **G.S. AUTO INTERNATIONAL LIMITED**

Date: 14.08.2019

Place: Ludhiana (Jasbir Singh Ryait)

Regd Office: G.S. Estate, Chairman &
G.T. Road, Ludhiana-141014 Joint Managing Director
DIN: 00104979

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

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 a single person as proxy and such person shall not act as a proxy or any other person or shareholder. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate

resolution/authority, as applicable.

2. The information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details regarding the director seeking re-appointment/ appointment in the Annual General Meeting as proposed in Item No. 2, 3, 4, 5 and 6 of the notice is also being annexed hereto separately and forms part of the Notice.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slips along with their copy of Annual Report to the Annual General Meeting.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
6. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2019 is uploaded on the Company's website www.gsgroupindia.com and may be accessed by the members.
7. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode.
8. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. A separate sheet containing the complete details of the instructions for e-voting is being sent to all the shareholders along with the Notice to enable them to cast their votes through e-voting.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from 25th September, 2019 to 30th September, 2019.

11. The Members holding shares in physical mode are requested to notify the change in their addresses, if any, at the earliest to the Registrar & Share Transfer Agent/ Company. However, members, holding shares in electronic mode may notify the change in their address, if any, to their respective Depository Participants.
12. Members desiring any information, as regards Accounts, are requested to write to the Company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
13. The Company has transferred the final unclaimed and unpaid dividend declared for the FY 2010-11 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amount transferred on the website of the Ministry of Corporate Affairs (MCA) and the same can be accessed through the link : www.mca.gov.in.
14. Pursuant to the applicable provisions of the Companies Act, 2013 read with IEPF Authority (Accounting , Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has been not paid or claimed by the shareholders for seven consecutive years or more had also been transferred to the demat account created by the IEPF Authority.
15. 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 electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining Demat Accounts. Members holding shares in physical form can submit their PAN details to M/s Skyline Financial Services Private Limited/ Secretarial Department of the Company.
16. Members holding shares in the same/ identical name(s) under different folios are requested to apply for consolidation of such folios and send relevant share Certificates to the Company/ Registrar & Share Transfer Agent.
17. Pursuant to the approval of the Shareholders at the Extraordinary General Meeting held on 5th February, 2008, the Equity Shares of the Company had been sub-divided from one Equity Share of the Face Value of Rs. 10/- (Ten) to two Equity Shares of the Face Value of Rs. 5/- (Five) each. The members, who are still holding Equity Shares of the Face value of Rs. 10 /- each, are requested to surrender their respective Share Certificates to the Company or to its Registrar & Share Transfer Agent, to enable the Company to issue fresh Share Certificate pertaining to Equity Shares of the Face Value of Rs. 5/- each.
18. The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars allowing companies to send official documents to their Members electronically.
The Members are requested to support this Green Initiative by registering/ updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) or with Registrar & Share Transfer Agent- Skyline Financial services Private Limited, New Delhi (in case of shares held in physical form).
19. In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to exercise their votes at the 45th AGM by electronic means and the business may be transacted through e-voting as per details below:
 - (a) Date and time of commencement of voting through electronic means: September 27, 2019 at 9.00 a. m.
 - (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: September 29th, 2019 at 5.00 p.m.
 - (c) Details of Website: www.evotingindia.com
 - (d) Details of persons to be contacted for issues relating to e-voting:

Company	: Company Secretary G.S. Auto International Limited G.S. Estate, G.T. Road, Ludhiana-141014 amninder@gsgroupindia.com
Registrar & Transfer Agent:	: Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 viren@skylinerta.com
E-Voting Agency	: Central Depository Services Limited www.evotingindia.com
Scrutinizer	: Mr. Bhupesh Gupta PCS Email: bkg.majestic@gmail.com
 - (e) Detailed instructions for e-voting are attached separately to the Notice of the Annual General Meeting.
 - (f) Details of Scrutinizer: Mr. Bhupesh Gupta, Practicing Company Secretary
The e-voting module shall be disabled for voting on September 29th, 2019 at 5.00 p. m. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their shareholding in the paid up equity share capital of the Company as on the cut-off date (record date) i.e. September 25, 2019.

Mr. Bhupesh Gupta, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gsgroupindia.com and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, vide its resolution dated 14th February, 2019 appointed Mr. Harkirat Singh Ryait as Executive Director of the Company for a term of three consecutive years with effect from 14th February, 2019 on the terms and conditions detailed in the resolution. His re-appointment is subject to the approval of the members of the Company.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information:

- 1) Nature of Industry: G.S. Auto International Limited is one of the leading manufacturers of Automotive Suspension and Fastening Components for Indian & International, Utility Vehicles, Commercial Vehicles (LCVs, MCVs, HCVs), Multi- Axle Vehicles, Trailers and Special Purpose Vehicles.
- 2) Date or expected date of commencement of commercial production: It is an existing manufacturing Company.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- 4) Financial performance based on given indicators:

(Rs. In lacs)

PARTICULARS	31.03.2019	31.03.2018	31.03.2017
Total Revenue	15391.00	13594.95	12277.79
Profit/(Loss) before Tax (PBT)	(88.85)	(429.93)	(982.14)
Profit/ (Loss) After Tax (PAT)	(74.46)	(373.57)	(622.73)
Paid up Share Capital	725.73	725.73	725.73
Reserves & Surplus	2536.71	2605.78	2986.35

- 5) Foreign Investments or collaborations, if any: Not Applicable

II. Information about the appointee:

- 1) Background details:
Mr. Harkirat Singh Ryait is B. Tech.. He is academically equipped with the knowledge and possesses organizational ability and has more than 9 years' experience in the field of Auto Components.
- 2) Past Remuneration:
Mr. Harkirat Singh Ryait is being appointed as an Executive Director in the ensuing AGM.
- 3) Recognition or rewards:
Sae Baja Award 2007.
- 4) Job profile and their suitability:
Mr. Harkirat Singh Ryait is looking after day to day activities of the plant. He is looking after planning and new product's development.
- 5) Remuneration proposed:
The Board of Directors has proposed to pay him the gross remuneration consisting of salary and perquisites as detailed in the resolution w.e.f 14th February, 2019 provided that the remuneration shall not exceed maximum limits as specified in Schedule V of the Companies Act, 2013.
- 6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:
G.S. Auto International Limited is a leading manufacturer of Automotive Suspension and Fastening Components mainly focused on clients in India. The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top level managerial persons having comparative qualification and experience.
- 7) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any:
Mr. Harkirat Singh Ryait does not have any pecuniary relationship with the Company. He is related to Mr. Jasbir Singh Ryait and Mrs. Dalvinder Kaur Ryait who are Chairman & Jt. Managing Director and Executive Director respectively.

III. Other Information:

- 1) Reason for loss and inadequate profit: Due to overall slowdown in the Indian & all over the world economy particularly in the Automotive Industry, the Commercial vehicle industry was the worst affected. Further, due to slowdown in the economy coupled with poor demand in the commercial vehicle segment we, were not able to pass, the continuous increase in the prices of diesel, increase in the electricity tariff by the Punjab State Power Corporation Limited, rise in the minimum wage by the Punjab Government, to our customers, cause to decrease in the overall margins of the Company.
- 2) Steps taken or proposed to be taken for improvement: However, going forward, with the overall improvement in the Indian & world economy, increase in the selling price of our products, increase in overall capacity utilization particularly for Jamshedpur Plant, several cost cutting initiatives taken by the Company, we are hopeful of achieving better result going forward.
- 3) Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

IV. Disclosures:

All the relevant information pertaining to the remuneration and other particulars of Directors is mentioned in the Corporate Governance Report as annexed to the Directors' Report.

As per the provisions of the Companies Act, 2013 read with Schedule V, thereof, approval of the members is required for this purpose. Hence, your consent is solicited for passing a special resolution as set out at Item No. 3 of the Notice.

Except, Mr. Harkirat Singh Ryait, being an appointee himself, Mr. Jasbir Singh Ryait and Ms. Dalvinder Kaur Ryait, being the appointee's relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 4:

The Board of Directors vide resolution dated 30th May, 2016 had re-appointed Mr. Jasbir Singh Ryait as Chairman and Whole Time Director of the Company for a period of three years with effect from 1st April, 2016 to 31st March, 2019 at terms and conditions approved by the Shareholders in their General Meeting held on 30th September, 2016.

Now, since the term of Chairman and Whole Time Director expired on 31st March, 2019, the Board of Directors, on the recommendations of the Nomination

and Remuneration Committee, in its meeting held on 14th February, 2019 had re-appointed Mr. Jasbir Singh Ryait as Chairman and Whole Time Director of the Company for a term of three consecutive years with effect from 1st April, 2019 to 31st March, 2022. Thereafter, keeping in mind his contribution to the business activities, the Board on the recommendation of the Nomination and Remuneration Committee, in its meeting held on 16th April, 2019 promoted and re-designated Mr. Jasbir Singh Ryait as Chairman and Joint Managing Director of the Company with effect from 16th April, 2019 to 31st March, 2022 on the terms and conditions detailed in the resolution. His re-appointment is subject to the approval of the members of the Company.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information:

- 1) Nature of Industry: G.S. Auto International Limited is one of the leading manufacturers of Automotive Suspension and Fastening Components for Indian & International, Utility Vehicles, Commercial Vehicles (LCVs, MCVs, HCVs), Multi-Axle Vehicles, Trailers and Special Purpose Vehicles.
- 2) Date or expected date of commencement of commercial production: It is an existing manufacturing Company.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- 4) Financial performance based on given indicators:

(Rs. In lacs)

PARTICULARS	31.03.2019	31.03.2018	31.03.2017
Total Revenue	15391.00	13594.95	12277.79
Profit/(Loss) before Tax (PBT)	(88.85)	(429.93)	(982.14)
Profit/ (Loss) After Tax (PAT)	(74.46)	(373.57)	(622.73)
Paid up Share Capital	725.73	725.73	725.73
Reserves & Surplus	2536.71	2605.78	2986.35

- 5) Foreign Investments or collaborations, if any: Not Applicable

II. Information about the appointee:

- 1) Background details:

Mr. Jasbir Singh Ryait is the Chairman & Jt. Managing Director of the Company. He is B.E. (Mechanical Engineering). He is academically equipped with the knowledge and possesses organizational ability and has more than 28 years' experience in the field of Production of Steel and Auto Components.

2) Past Remuneration:

Mr. Jasbir Singh Ryait, as Chairman and Whole Time Director was being paid yearly gross remuneration of Rs. 76,50,000/- consisting of basic salary, perquisites and allowances.

3) Recognition or rewards:

Mr. Jasbir Singh Ryait, who is Industrial Engineer by education from Thapar University, Patiala, has been conferred Punjab Ratan at All India Conference of Intellectuals in recognition of the distinguished services rendered by him in the field of education, social work and Industry.

4) Job profile and their suitability:

Mr. Jasbir Singh Ryait is acting as a Chairman & Jt. Managing Director and shall be responsible for day to day management of the Company. The Company has well progressed under his guidance and supervision.

5) Remuneration proposed:

The Board of Directors has proposed to pay him the gross remuneration consisting of salary and perquisites as detailed in the resolution w.e.f 16th April, 2019 provided that the remuneration shall not exceed maximum limits as specified in Schedule V of the Companies Act, 2013.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

G.S. Auto International Limited is a leading manufacturer of Automotive Suspension and Fastening Components mainly focused on clients in India. The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top level managerial persons having comparative qualification and experience.

7) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any:

Mr. Jasbir Singh Ryait does not have any pecuniary relationship with the Company except to the extent of his shareholding of 580550 Equity Shares of Rs. 5 each and is drawing salary as approved by the shareholders of the Company from time to time. He is related to Mr. Dalvinder Kaur Ryait, Mr. Harkirat Singh Ryait and Mr. Surinder Singh Ryait who are Executive Directors and Managing Director respectively.

III. Other Information:
1) Reason for loss and inadequate profit: Due to overall slowdown in the Indian & all over the world economy particularly in the Automotive Industry, the Commercial vehicle industry was the worst affected. Further, due to

slowdown in the economy coupled with poor demand in the commercial vehicle segment we, were not able to pass, the continuous increase in the prices of diesel, increase in the electricity tariff by the Punjab State Power Corporation Limited, rise in the minimum wage by the Punjab Government, to our customers, cause to decrease in the overall margins of the Company.

2) Steps taken or proposed to be taken for improvement: However, going forward, with the overall improvement in the Indian & world economy, increase in the selling price of our products, increase in overall capacity utilization particularly for Jamshedpur Plant, several cost cutting initiatives taken by the Company, we are hopeful of achieving better result going forward.

3) Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

IV. Disclosures:

All the relevant information pertaining to the remuneration and other particulars of Directors is mentioned in the Corporate Governance Report as annexed to the Directors' Report.

As per the provisions of the Companies Act, 2013 read with Schedule V, thereof, approval of the members is required for this purpose. Hence, your consent is solicited for passing an ordinary resolution as set out at Item No. 4 of the Notice.

Except, Mr. Jasbir Singh Ryait, being an appointee himself, Mr. Dalvinder Kaur Ryait, Mr. Harkirat Singh Ryait and Mr. Surinder Singh Ryait, being the appointee's relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 5:

The Board of Directors vide resolution dated 18th April, 2014 had appointed Mrs. Dalvinder Kaur Ryait as Executive Director of the Company for a period of five years with effect from 18th April, 2014 to 17th April, 2019 at terms and conditions approved by the Shareholders in their General Meeting held on 30th September, 2014.

Now, since the said term of 5 years expired, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, in its meeting held on 16th April, 2019 had re-appointed Ms. Dalvinder Kaur Ryait as an Executive Director of the Company for a term of three consecutive years with effect from 18th April, 2019 to 17th April, 2022 on the

G.S. AUTO INTERNATIONAL LIMITED

terms and conditions detailed in the resolution. Her re-appointment is subject to the approval of the members of the Company.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information:

- 1) Nature of Industry: G.S. Auto International Limited is one of the leading manufacturers of Automotive Suspension and Fastening Components for Indian & International, Utility Vehicles, Commercial Vehicles (LCVs, MCVs, HCVs), Multi- Axle Vehicles, Trailers and Special Purpose Vehicles.
- 2) Date or expected date of commencement of commercial production: It is an existing manufacturing Company.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- 4) Financial performance based on given indicators:

(Rs. In lacs)

PARTICULARS	31.03.2019	31.03.2018	31.03.2017
Total Revenue	15391.00	13594.95	12277.79
Profit/(Loss) before Tax (PBT)	(88.85)	(429.93)	(982.14)
Profit/ (Loss) After Tax (PAT)	(74.46)	(373.57)	(622.73)
Paid up Share Capital	725.73	725.73	725.73
Reserves & Surplus	2536.71	2605.78	2986.35

- 5) Foreign Investments or collaborations, if any: Not Applicable

II. Information about the appointee:

- 1) Background details:

Mrs. Dalvinder Kaur Ryait is the Executive Director of the Company. She is Graduate and has more than 26 years' experience in the field of Marketing and Personnel Segment.

- 2) Past Remuneration:

Mrs. Dalvinder Kaur Ryait, as Executive Director was being paid yearly gross remuneration of Rs. 76,84,200/- consisting of basic salary, perquisites and allowances.

- 3) Job profile and their suitability:

Mrs. Dalvinder Kaur Ryait acting as an Executive Director and is looking after and responsible for the personnel segment of the Company.

- 4) Remuneration proposed:

The Board of Directors has proposed to pay her the gross remuneration consisting of salary and

perquisites as detailed in the resolution w.e.f 18th April, 2019 provided that the remuneration shall not exceed maximum limits as specified in Schedule V of the Companies Act, 2013.

- 5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

G.S. Auto International Limited is a leading manufacturer of Automotive Suspension and Fastening Components mainly focused on clients in India. The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top level managerial persons having comparative qualification and experience.

- 6) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any:

Mrs. Dalvinder Kaur Ryait does not have any pecuniary relationship with the Company except to the extent of her shareholding of 144860 Equity Shares of Rs. 5 each and is drawing salary as approved by the shareholders of the Company from time to time. She is related to Mr. Jasbir Singh Ryait and Mr. Harkirat Singh Ryait who is the Chairman and Jt. Managing Director and Executive Director of the Company.

I. Other Information:

- 1) Reason for loss and inadequate profit: Due to overall slowdown in the Indian & all over the world economy particularly in the Automotive Industry, the Commercial vehicle industry was the worst affected. Further, due to slowdown in the economy coupled with poor demand in the commercial vehicle segment we, were not able to pass, the continuous increase in the prices of diesel, increase in the electricity tariff by the Punjab State Power Corporation Limited, rise in the minimum wage by the Punjab Government, to our customers, cause to decrease in the overall margins of the Company.
- 2) Steps taken or proposed to be taken for improvement: However, going forward, with the overall improvement in the Indian & world economy, increase in the selling price of our products, increase in overall capacity utilization particularly for Jamshedpur Plant, several cost cutting initiatives taken by the Company, we are hopeful of achieving better result going forward.
- 3) Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

III. Disclosures:

All the relevant information pertaining to the

remuneration and other particulars of Directors is mentioned in the Corporate Governance Report as annexed to the Directors' Report.

As per the provisions of the Companies Act, 2013 read with Schedule V, thereof, approval of the members is required for this purpose. Hence, your consent is solicited for passing a special resolution as set out at Item No. 5 of the Notice.

Except, Mrs. Dalvinder Kaur Ryait, being the interested party herself, Mr. Jasbir Singh, Ryait and Mr. Harkirat Singh Ryait, being the relative, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 6:

The Board of Directors vide resolution dated 18th April, 2014 had re-appointed Ms. Amarjeet Kaur Ryait as Executive Director of the Company for a period of five years with effect from 18th April, 2014 to 17th April, 2019 at terms and conditions approved by the Shareholders in their General Meeting held on 30th September, 2014.

Now, since the said term of 5 years expired, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, in its meeting held on 16th April, 2019 had re-appointed Ms. Amarjit Kaur Ryait as an Executive Director of the Company for a term of three consecutive years with effect from 18th April, 2019 to 17th April, 2022 on the terms and conditions detailed in the resolution. Her re-appointment is subject to the approval of the members of the Company.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information:

- 1) Nature of Industry: G.S. Auto International Limited is one of the leading manufacturers of Automotive Suspension and Fastening Components for Indian & International, Utility Vehicles, Commercial Vehicles (LCVs, MCVs, HCVs), Multi- Axle Vehicles, Trailers and Special Purpose Vehicles.
- 2) Date or expected date of commencement of commercial production: It is an existing manufacturing Company.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- 4) Financial performance based on given indicators:
(Rs. In lacs)

PARTICULARS	31.03.2019	31.03.2018	31.03.2017
Total Revenue	15391.00	13594.95	12277.79
Profit/(Loss) before Tax (PBT)	(88.85)	(429.93)	(982.14)
Profit/(Loss) After Tax (PAT)	(74.46)	(373.57)	(622.73)
Paid up Share Capital	725.73	725.73	725.73
Reserves & Surplus	2536.71	2605.78	2986.35

- 5) Foreign Investments or collaborations, if any: Not Applicable

II. Information about the appointee:

- 1) Background details:

Ms. Amarjeet Kaur Ryait is the Executive Director of the Company. She is Graduate and has more than 14 years' experience in the field of Business Administration.

- 2) Past Remuneration:

Ms. Amarjeet Kaur Ryait, as Executive Director was being paid yearly gross remuneration of Rs. 3,82,200/- consisting of basic salary, perquisites and allowances.

- 3) Job profile and their suitability:

Ms. Amarjeet Kaur Ryait is acting as an Executive Director and is looking after and responsible for business administration of the Company.

- 4) Remuneration proposed:

The Board of Directors has proposed to pay her the gross remuneration consisting of salary and perquisites as detailed in the resolution w.e.f 18th April, 2019 provided that the remuneration shall not exceed maximum limits as specified in Schedule V of the Companies Act, 2013.

- 5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

G.S. Auto International Limited is a leading manufacturer of Automotive Suspension and Fastening Components mainly focused on clients in India. The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top level managerial persons having comparative qualification and experience.

- 6) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any:

Ms. Amarjeet Kaur Ryait does not have any pecuniary relationship with the Company except to the extent of her shareholding of 123820 Equity Shares of Rs. 5 each and is drawing salary as approved by the shareholders of the Company from time to time. She is related to Mr. Surinder Singh Ryait who is the

Managing Director of the Company.

III. Other Information:

- 1) Reason for loss and inadequate profit: Due to overall slowdown in the Indian & all over the world economy particularly in the Automotive Industry, the Commercial vehicle industry was the worst affected. Further, due to slowdown in the economy coupled with poor demand in the commercial vehicle segment we, were not able to pass, the continuous increase in the prices of diesel, increase in the electricity tariff by the Punjab State Power Corporation Limited, rise in the minimum wage by the Punjab Government, to our customers, cause to decrease in the overall margins of the Company.
- 2) Steps taken or proposed to be taken for improvement: However, going forward, with the overall improvement in the Indian & world economy, increase in the selling price of our products, increase in overall capacity utilization particularly for Jamshedpur Plant, several cost cutting initiatives taken by the Company, we are hopeful of achieving better result going forward.
- 3) Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

IV. Disclosures:

All the relevant information pertaining to the remuneration and other particulars of Directors is mentioned in the Corporate Governance Report as annexed to the Directors' Report.

As per the provisions of the Companies Act, 2013 read with Schedule V, thereof, approval of the members is required for this purpose. Hence, your consent is solicited for passing a ordinary resolution as set out at Item No. 6 of the Notice.

Except, Ms. Amarjeet Kaur Ryait, being an appointee herself, Mr. Surinder Singh Ryait, being the appointee's spouse, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 7:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, vide its resolution dated 14th February, 2019 appointed Mr. Pardeep Sehgal as an Additional Director of the Company in the capacity of Independent Director with effect from 14th February, 2019 pursuant to Section 160 and 161 of the Companies Act, 2013 read with Article 141 of the Articles of Association of the Company.

Mr. Pardeep Sehgal has given a declaration to the Board of Directors of the Company that he meets the criteria of Independence as required under Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Mr. Pardeep Sehgal fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as Independent Director of the Company. He is also not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Accordingly, your consent is solicited for passing an ordinary resolution as set out at Item No. 7 of the Notice.

Item No. 8 & 9:

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, the tenure of Mr. Iqbal Singh and Mr. Upkar Singh Ahuja as Independent Directors will expire on the conclusion of the ensuing Annual General Meeting.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from them that they are not disqualified from being re-appointed as Independent Directors under Section 164 of the Act and declaration that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and their consent to continue as Independent Directors.

The Board, based on the evaluation of Independent Directors and as per the recommendation of the Nomination & Remuneration Committee, considers that the continued association of Mr Iqbal Singh and Mr. Upkar Singh Ahuja would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

The details of Mr Iqbal Singh and Mr. Upkar Singh Ahuja, Directors, being re-appointed as Independent Directors, pursuant to Regulation 36 of the SEBI Listing Regulations are enclosed with the notice of the meeting. Copy of the letters for re-appointment of Mr Iqbal Singh and Mr. Upkar Singh Ahuja as Independent Directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr Iqbal Singh and Mr. Upkar Singh Ahuja, is, in any way, concerned or interested, financially or otherwise, in the resolutions.

G.S. AUTO INTERNATIONAL LIMITED

The Board recommends the Special Resolutions set out at item no 8 and 9 of the notice for approval of the members.

Item No. 10:

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, your consent is solicited for passing an ordinary resolution as set out at Item No. 10 of the Notice.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item No. 11:

Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 dated 14.08.14 requires the approval of the members by way of a prior Special

resolution for specified transactions beyond threshold limits with Related Parties. Further, Regulation 23 of SEBI (LODR) Regulations, 2015 prescribes that all material related party transactions to require approval of the shareholders through special resolution. SEBI (LODR) Regulations, 2015 defines a transaction with a related party to be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

Your Company from time to time renders and avails various services which may include sale/ purchase of materials from/to such Related Parties. Since, the transaction value for such services may exceed the prescribed threshold limits as prescribed under Sec 188 of the Act and the Rules made thereunder, therefore, as a matter of abundant precaution, the proposal is being put before the members of the Company for their approval.

The disclosures required to be provided under the provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 are given herein below for perusal of the Members.

Sr. No.	Name of the related party	Name of the director or key managerial personnel who is related, if any	Nature of relationship
1.	G.S. Autocomp Private Limited	Mr. Jasbir Singh Ryait, Mrs. Dalvinder Kaur Ryait, Mr. Surinder Singh Ryait and Mrs. Amarjeet Kaur Ryait, being the directors and shareholders in G.S. Autocomp Private Limited, none of the other directors or Key Managerial Personnel is related to the Company.	Directors of the Company are Directors and Shareholders in G.S. Autocomp Private Limited.
2.	G.S. Consumer Products Private Limited	Mr. Jasbir Singh Ryait, Mrs. Dalvinder Kaur Ryait, Mr. Surinder Singh Ryait and Mrs. Amarjeet Kaur Ryait, being the directors and shareholders in G.S. Consumer Products Private Limited, none of the other directors or Key Managerial Personnel is related to the Company.	Directors of the Company are Directors and Shareholders in G.S. Consumer Products Private Limited.
3.	Gurmukh Singh International LLP	Mr. Jasbir Singh Ryait and Mr. Harkirat Singh Ryait, are the designated partners in Gurmukh Singh International LLP.	Directors of the Company are Designated Partners in Gurmukh Singh International LLP.
	Nature, material terms, monetary value and particulars of the contract or arrangement		As may be decided by the Board of Directors at relevant time.
	Any other information, relevant or important for the members to take a decision on the proposed resolution.		Nil

G.S. AUTO INTERNATIONAL LIMITED

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING. (Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015.)

Name of the Director	Mr. Jasbir Singh Ryait	Mr. Harkirat Singh Ryait
Date of Birth	15.06.1962	18.08.1988
Expertise in Specific Functional Area	Having more than 25 years' experience in marketing and personnel segment of the Industry.	Having more than 9 years experience in automotive industry.
Qualification	B.E. (Mechanical Engineering)	B. Tech
Directorship of Other Companies as on 31st March, 2019	-	-
Chairman/ Member of Committees of other Companies as on 31st March, 2019	-	-
No. of Shares Held	5,80,550	-
Relationship with other Director(s)	Related to Ms. Dalvinder Kaur Ryait and Mr. Harkirat Singh Ryait.	Related to Mr. Jasbir Singh Ryait and Ms. Dalvinder Kaur Ryait

Name of the Director	Mr. Pardeep Sehgal	Mr. Iqbal Singh
Date of Birth	09.12.1963	23.11.1965
Expertise in Specific Functional Area	Having more than 25 years' experience in Automotives Industry and Business Management.	Having vide experience in the field of administration.
Qualification	Diploma	B.Com
Directorship of Other Companies as on 31st March, 2019	-	-
Chairman/ Member of Committees of other Companies as on 31st March, 2019	-	-
No. of Shares Held	-	-
Relationship with other Director(s)	Not related to any Director.	Not related to any Director.

Name of the Director	Mr. Upkar Singh Ahuja	Mrs. Dalvinder Kaur Ryait	Mrs. Amarjeet Kaur Ryait
Date of Birth	16.07.1961	28-06-1963	02-02-1966
Expertise in Specific Functional Area	Having more than 25 years' experience in the field of Auto Industry.	Having more than 16 years experience in marketing and personal segment of Industry	Having more than 15 years experience in the field of administration
Qualification	Graduate	Graduate	Graduate
Directorship of Other Companies as on 31st March, 2019	1. New Swan Multitech Limited. 2. New Swan Awatech Limited. 3. New Swan Yosino Sealtech Limited. 4. New Swan Technologies Limited.	-	-
Chairman/ Member of Committees of other Companies as on 31st March, 2019		-	-
No. of Shares Held	-	144860	123820
Relationship with other Director(s)	Not related to any Director.	Related to Mr. Jasbir Singh Ryait and Mr. Harkirat Singh Ryait	Related to Mr. Surender Singh Ryait

By order of the Board
For G.S. AUTO INTERNATIONAL LIMITED

Date: 14.08.2019
Place: Ludhiana
Regd Office: G.S. Estate, G.T. Road,
Ludhiana-141014

(Jasbir Singh Ryait)
Chairman & Jt. Managing Director
DIN: 00104979

G.S. AUTO INTERNATIONAL LIMITED

Regd Office: G.S. Estate, G.T. Road, Ludhiana-141010 Phone : 0161-2511001/2/3/4/5,
Fax : 0161-2510885 Website: www.gsgroupindia.com
CIN: L34300PB1973PLC003301

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Folio No./ DP ID-Client ID No.: _____

No. of Shares held: _____

Name of the Member/ Proxy: _____

(IN BLOACK LETTERS)

Address of the Member: _____

E-mail ID: _____

I/ We hereby record my/ our presence at the 45th Annual General Meeting of G.S. AUTO INTERNATIONAL LIMITED at Registered Office, G.S. Estate, G.T. Road, Ludhiana-141014 on Monday, the 30th day of September, 2019 at 11.00 a.m.

Signature(s) of the Member or Proxy

Form No. MGT-11

G.S. AUTO INTERNATIONAL LIMITED

CIN: L34300PB1973PLC003301

Regd Office: G.S. Estate, G.T. Road, Ludhiana-141010 Phone : 0161-2511001/2/3/4/5, Fax : 0161-2510885 Website: www.gsgruppindia.com

PROXY FORM

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

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	
Name	
Address	
E-mail ID	Signature
Or FAILING HIM;	
Name	
Address	
E-mail ID	Signature
Or FAILING HIM;	
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 45th Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019 at 11.00 a.m. at Registered Office, G.S. Estate, G.T. Road, Ludhiana-141014 and at any adjournment thereof in respect of such resolutions as are indicated herein:

Item No.	RESOLUTIONS	For	Against
1.	Adoption of the Audited Financial Statement of the Company for the financial year ended March 31, 2019, together with the Report of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr. Jasbir Singh Ryait (DIN: 00104979), who retires by rotation at this Annual General Meeting.		
3.	Appointment of Mr. Harkirat Singh Ryait (DIN: 07275740) as an Executive Director of the Company		
4.	Appointment of Mr. Jasbir Singh Ryait (DIN: 00104979) as Chairman and Joint Managing Director of the Company.		
5.	Re-appointment of Ms. Dalvinder Kaur Ryait (DIN: 00572812) as an Executive Director of the Company.		
6.	Re-appointment of Ms. Amarjit Kaur Ryait (DIN: 00572776) as an Executive Director of the Company.		
7.	Appointment of Mr. Pardeep Sehgal (DIN: 08355909) as an Independent Director of the Company.		
8.	Re-appointment of Mr. Iqbal Singh (DIN: 06692349) as an Independent Director of the Company for another term of 5 (five) years.		
9.	Re-appointment of Mr. Upkar Singh Ahuja Singh (DIN: 01588157) as an Independent Director of the Company for another term of 5 (five) years.		
10.	Approval to the remuneration of the Cost Auditors for the financial year ending March 31, 2020.		
11.	To consider and approve the Related Party Transactions for the FY 2019-20.		

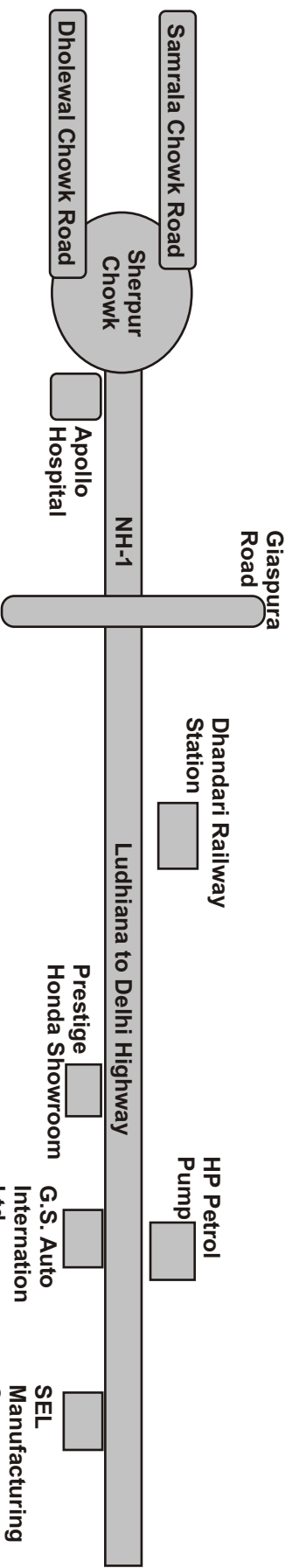
Signature of Shareholder: _____

Signed this _____ day of _____ 2019.

Affix Re. 1/-
Revenue
Stamp

Signature of Proxy Holder(s): _____

.....



G.S. AUTO INTERNATIONAL LIMITED

Regd Office: G.S. Estate, G.T. Road, Ludhiana-141010

Phone : 0161-2511001/2/3/4/5, Fax:0161-2510885 Website: www.gsgroupindia.com



BALLOT PAPER

(To be returned to Scrutinizer appointed by G.S. Auto International Limited)

1. Name(s) of Member(s) : (including joint-holders, if any)	
2. Registered Folio No. / : DPID No. / Client ID No.* (*Applicable to Members holding shares in dematerialised form)	

3. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice dated 14.08.2019 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Item No.	Description	No. of Shares	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Adoption of the Audited Financial Statement of the Company for the financial year ended March 31, 2019, together with the Report of the Board of Directors and Auditors thereon.			
2.	Re-appointment of Mr. Jasbir Singh Ryait (DIN: 00104979), who retires by rotation at this Annual General Meeting.			
3.	Appointment of Mr. Harkirat Singh Ryait (DIN: 07275740) as an Executive Director of the Company.			
4.	Appointment of Mr. Jasbir Singh Ryait (DIN: 00104979) as Chairman and Joint Managing Director of the Company.			
5.	Re-appointment of Ms. Dalvinder Kaur Ryait (DIN: 00572812) as an Executive Director of the Company.			
6.	Re-appointment of Ms. Amarjit Kaur Ryait (DIN: 00572776) as an Executive Director of the Company.			
7.	Appointment of Mr. Pardeep Sehgal (DIN: 08355909) as an Independent Director of the Company.			
8.	Re-appointment of Mr. Iqbal Singh (DIN: 06692349) as an Independent Director of the Company for another term of 5 (five) years.			
9.	Re-appointment of Mr. Upkar Singh Ahuja Singh (DIN: 01588157) as an Independent Director of the Company for another term of 5 (five) years.			
10.	Approval to the remuneration of the Cost Auditors for the financial year ending March 31, 2020.			
11.	To consider and approve the Related Party Transactions for the FY 2019-20.			

Place :

Date :

Signature of Member / Beneficial Owner

NOTES:

1. 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.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
6. The member has the option of indicating the manner in which the vote be cast. This is only optional. If the member leaves the 'For' or 'Against' column blank against any or all the resolutions, the Proxy will be entitled to vote in the manner as he/she thinks appropriate.



**2018
2019**

45th Annual Report

**G.S. Auto
International
Limited**

**Manufacturers
of Auto Components**

**An
ISO/TS 16949
Company**

At **"G.S Auto"** we firmly believe that the Auto Component Industry stands on six pillars, namely... **Commitment, Dedication, Quality, a Reputed Brand, a Professional Team** and above all **The Confidence of all its Stakeholders**

"The **"GS"** team of dedicated engineers works hard on each & every component manufactured here. All components pass through stringent quality checks and rechecks, so as to provide complete satisfaction to our extended family composed of a large number of customers be it Original Equipment Manufacturers (OEM), Replacement Market (After Sales Market) or Overseas Customers (Export Market). We strive to ensure that brand **"GS"** is the epitome of safety for all our valued stakeholders.

We owe our success, not only to our extended family of valuable customers, but to all our suppliers, vendors and all the stakeholders, who have placed their faith in us and have been an integral part our long journey to excellence.....

We at **"GS"** always say **"Go Safe with GS"**, as we feel whenever you are on road; someone back at the home is always eagerly waiting for your return.

Vision

- **The Global Indian Auto Component Brand:**

We will be a world class preferred Auto Component Brand for all the Original Equipment Manufactures (OEM's) of the world along with a trusted brand in the After Sales Market through best quality, innovations and cost competitive products. Our Customers will enjoy the benefits of dealing with a global Indian brand that best understand their requirements, needs, customized approach and pragmatic solution across all platforms.

- **To build a World Class Company through reliability and be a great place to work.**

Our Visions is to make our Company the best in the class what we do in our business. The Products and services we offer should be Comparable to the best in the Industry, our business processes and systems should set a benchmark for others. We should earn the respect of our Competitors and work for the benefit of our all the stakeholders and be loved by them.

- **The Most preferred employers in the Auto Component Industry over a period of time.**

Our Company should be the most preferred Company to work, for any employee. Here he should feel like an owner, be able to live his dreams, fulfill all his professional goals and have fun while doing so, because we at "GS" feel, we are all partners for building a reputed/trusted global Indian Auto Component Brand.

- "GS" strives to achieve enhanced customer satisfaction by delivering the quality products in the safe working environment. We dedicate ourselves to continual improvements in all fields of our businesses.
- Growth through organic as well as through value chain & to further to expand our Business on a sustainable basis, by adding more products to its existing product portfolio through diversification in different sectors of the economy, as well as, to expand through multi-locations, building a team that is passionate about growth, quality, value creation and above all serving to all its stakeholders & further committed to making trust, respect & fellowship a way of life;
- Be a Market leader in after sales market for Machined, Cast and Forged Components through better dealer network, to further grow in Export Markets by the supply of best quality Components and further to join hands with all the major OEM's of the world;

As a young, dynamic enterprise, we constantly seek to surpass our past achievements, even in the bad days, and to discover newer, better means, to address challenges, be it problem solving, customer satisfaction or in the research and development . "GS" is geared to respond with utmost dedication and an undying spirit of enthusiasm that inspires and unifies while giving the customer a unique advantage. "GS" culture encourages and enables employees to participate as a team member and take initiatives; this spirit of entrepreneurship is a key mile stone of "GS" philosophy.

Embracing new ideas and new means has been instrumental in our rise and will continue to define our approach. This culture of shared responsibility has given an unmatched reputation to us while winning the trust and goodwill of employees & customers.

PRINCIPLES OF BUSINESS

- **Sense of Urgency & Customer Centric:**

Customer would be the reason of our existence and continuous growth. Every decision we take should add value to our Customers and all our stakeholders. We deliver what we make promises and we will not make promises what we cannot deliver.

- **Better Relationships and better Quality of Products & Services:**

Our Endeavour shall be to create a rewarding experience, every time a customer interacts or transact with us.

- **Reliability**

We shall make sure that our products and services we offer and commitment we make to our stakeholders are most reliable. In all our actions and behaviors, we shall be perceived and seen as reliable and trusted Company.

- Continuous Improvement for excellence and consistency.
- Every employee work with “GS” should work like an owner of that process or partner for the different processes. The Success of that process (s) should create joy and pain for him personally. He should consider himself responsible for the process and do it to the best of his ability and leave mark of his efforts and dedication on it.
- We shall endeavor continuously to build trust, in our dealings with all our stakeholders. We shall strive relentlessly to create faith amongst us through our actions. High integrity should be built on a solid foundation of trust and reliability.
- We shall be transparent in providing reliable and pertinent information for enabling an objective assessment of our financial, environmental and social performances.

Contents

Vision & Principles	:	2-3
Board of Directors	:	5
Company Profile	:	6-9
Director's Report	:	10-51
Management Discussion & Analysis	:	52-69
Code of Conduct	:	70-71
Auditor' Report	:	72-78
Financials	:	79-132

Board of Directors:

Mr. Jasbir Singh Ryait

Chairman & Whole Time Director
Din No.00104979

Mr. Surinder Singh Ryait

Managing Director
Din No.00692792

Mrs. Dalvinder Kaur Ryait

Executive Director
Din No.00572812

Mrs. Amarjeet Kaur Ryait

Executive Director
Din No.00572776

Mr. Harkirat Singh Ryait

(w.e.f 14th February, 2019)
Executive Director
Din No.07275740

Mr. Pardeep Sehgal

(w.e.f 14th February, 2019)
Independent Director
Din No.08355909

Mr. Avinash Sharma

(w.e.f 14th August, 2018)
Independent Director
Din No.07963327

Mr. Iqbal Singh

Independent Director
Din No.06692349

Mr. Upkar Singh Ahuja

Independent Director
Din No.01588157

Mr. Jasbir Singh Bir

(up to May 30, 2018)
Independent Director
Din No.00233077

Mr. Sharwan Sehgal

Independent Director
Din No.07556315

Mr. Neeraj Tuli

Chief Financial Officer

Ms. Amninder Kaur

Company Secretary
Membership No. A31641

Auditors

M/s Sukhminder Singh & Co.

Chartered Accountants
ICAI Firm Registration No. 016737N
170-A, Model Housel,
Ludhiana-141002, Punjab, India

Registrar & Share Transfer Agent:

M/s Sky Line Financial Services Pvt. Ltd.,
D-153 A, Okhla Industrial Area, Phase-I,
New Delhi-110020, India
Phone: 011-64732681-88, 011-26812682-83,
Fax No.: 011-26812682
Email: admin@skylinerta.com

Registered Office & Works-Unit-I

G.S. Auto International Limited,
G.S. Estate, G T Road,
Ludhiana-14101; Punjab, India
Phone: 0161-2511001-05
Fax No.: 0161-2510885
CIN: L34300PB1973PLC003301

Unit-II

M-09, Large Sector,
Tata Kundra Main Road, Industrial Area,
Adityapur Industrial Development Authority,
Jamshedpur-832402-Jharkhand, India
Website: www.gsgroupindia.com
Email : info@gsgroupindia.com

Bankers

Punjab National Bank
Export Import Bank of India
Axis Bank Limited

Company Profile:

“G.S. Auto” Synonymous to Indian Automotive Component Industry is one of the manufacturers of Automotive Suspension and Fastening Components for Indian & International, Utility Vehicles, Commercial Vehicles (LCVs, MCVs, and HCVs), Multi-Axle Vehicles, Trailers and Specials Purpose Vehicles.

One of our manufacturing facilities is located in major industrial township of Ludhiana in North India, spread over an area of one million square feet of covered area and other manufacturing facility is located at Jamshedpur in Jharkhand at Adityapur Industrial Area Development Authority (AIADA), spreading over an area of three acres. Both our manufacturing facilities are ISO, QS and TS 16949 certified.

We are an established leader in all our product segments. National and International Tier-1 and Automobile Majors Like Tata Motors Ltd, Ashok Leyland Limited, Maruti Suzuki Ltd., SML ISUZU Ltd., VE Commercial vehicles limited, Hindustan Motors Ltd., Daimler India Commercial Vehicles, Mahindra & Mahindra Ltd and Arvin Meritor etc. trust all our products. We develop components based on customer's specifications, drawing and also provide designing solution for enhanced product performance and improved quality.

History:

Our journey of excellence started long back in 1938 in pre independence days when a young man having a great vision translated his dream into reality steered by sheer hard work and determination.

The entrepreneurship of our founder, Baba Gurmukh Singh Ji, began with manufacturing of bicycle components, which afterwards got diversified into manufacturing of automotive components for various motor vehicles. Further momentums were gained with the joining of his son Giani Bhagat Singh (Former Chairman-G.S. Group) and S.Jagat Singh (Former Managing Director-G.S. Group). S.Jagat Singh had great marketing skill and vision to make **“GS”** a top brand in auto component market of India. He formed a small team of four dedicated people to start marketing activity outside Punjab across India.

They remained for months out of their hometown traveling all small and major towns of India to select dealers and distributors and formed formidable unparalleled pan India network of more than 500 Distributors and even more than 10000 retailers and this process is still on.

Their lifetime knowledge, skills and experience was handed over by them to their next generation sons. The participation of Mr. Jasbir Singh Ryait (Chairman) and Mr. Surinder Singh Ryait (Managing Director) further catalyzed growth of the Company. The brothers complement and supplement each other perfectly giving a great boost to the industry.

Product Range:

On the strength of its expertise in the development and manufacture of components, **“GS”** has explored new horizon to provide a diverse range of machined, forged and cast (ferrous & nonferrous) components. The following is the Product Range: -

1. Machined Parts:

- King Pin Set
- Spring Pins
- Shackle Bolts
- Check Nuts
- Axle Studs
- U-Bolts
- Centre Bolt & Miscellaneous Bolts and Genuine Nuts

2. Forged Parts:

- High Nuts
- Castle Nuts
- Hex Nuts
- Flange Nuts
- Washer Type Nuts
- Misc. Bolts

3. Non-Ferrous Cast Components:

- Customized Aluminum Bronze Parts of different sizes

4. Ductile Iron Cast Components:

- Spring Hanger Shackle/Bracket
- Engine Mounting
- Base Plates
- Threaded Rings
- Compressor Mounting Bracket
- Casting in Weight Range 1-20 Kgs

5. Trailer Parts:

- Full Dressed Trailer Axles

6. Clutch Assemblies, Disc Assemblies and its Components

Customer Base:

G.S Auto has a strong presence in...

- OEM segment (Original Equipment Manufacturer)
- Replacement Market (After Sales Market)
- Export market

OEM segment:

The strength of G.S Brand lies in its quality endorsement by almost all major Indian and International OEMs such as Tata Motors Ltd, Ashok Leyland Limited, Maruti Suzuki Ltd., SML ISUZU Ltd., VE Commercial vehicles limited, Hindustan Motors Ltd., Daimler India Commercial Vehicles, Mahindra & Mahindra Ltd and Arvin Meritor etc.

Replacement Market:

A vast network of over 500 Principal Dealers spread nationwide cohesively provide support system and act a catalyst to our strength to combat competition. Being looked- after by their strong and dedicated sales team, Company is able to provide efficient services to their dealers throughout the country.

Export market:

G.S Auto has strongly made their presence felt in the different part of the world. Flexible Production Run-up, Production Scheduling and of course, their ability to strictly stick to deliver schedule have endowed leveraging –effect in building-up strong customer base.

Manufacturing Facility:

At present the Company has two manufacturing facilities. One of our manufacturing facilities is located in major industrial township of Ludhiana in North India, spread over an area of one million square feet of covered area and other manufacturing facility is located at Jamshedpur in Jharkhand at Adityapur Industrial Area Development Authority (AIADA), spreading over an area of three acres. Both our manufacturing facilities are ISO, QS and TS 16949 certified.

The Company has in house Foundry Plant with more than ten thousand tons capacity furnace(s) melting 900kgs metal along with Automatic (DISA) & Arpa moulding lines, Linear Moulding Machines & Mould Making Machines. As a Manufacturing Company, over the years we have multiplied capacities, built up technologies and invested in equipment's that place us in a unique league. At "GS", the focus is on achieving best possible quality through stringent control on repeatability of manufacturing process. All manufacturing processes for processing of Alloy Steel Components i.e annealing, bar drawing, hot forging, cold forging, precision machining, heat treatment an induction hardening are available under one roof and are made to perform to deliver finished goods of highest quality acceptable to valuable customers.

The Company has set up its second manufacturing unit at Jamshedpur, for the manufacture of spheroidal graphite cast iron (SGI) components, with a total capex of Rs.64 (Rs. Sixty four Crores) Cr., in two phases, having state of the art facilities, with an annual capacity of 12000 liquid metals per annum. The Commercial production of its first phase had already commenced its production.

Systemized Approach:

- **Towards Global Competitiveness:**

"GS" always strive to manage the resources using globally tested concepts and techniques. After successful implementation of 5S, 3M concepts within the organization, we are committed to work toward total productive maintenance (TPM) and total quality management (TQM).

- **Customer Support System:**

Feedback in any business is the blue print of its progress. Based on this knowledge, we have always stressed our nerves to keep our customer(s) highly satisfied. Principal approach is cost effectiveness by reduced rejection rate and process control.

- **Access To Latest Technology:**

Technology up-gradations and Know-how can only unlock the fortunes. Smooth and uninterrupted information's flow and data acquisitions not only reduce the lead time to have access to the latest technology but also serve as a road map to the fast changing customer need.

- **Quality is a Mission:**

From the very beginning, "GS" has always shown incessant thirst for product quality and customer satisfaction. At "GS" each component passes through series of stringent tests of quality from design stage to manufacturing. Conformance to quality is just not restricted to the shop floor of the company but also through the supply change.

Following quality system requirements are taken care at "GS" for conformance to quality standards, on-time delivery, maintaining product quality and handling customer complaint.

1. **APQP** (Advanced Product Quality Planning)
2. **PPAP** (Production Part Approval Process)
3. **FMEA** (Failure Mode Effect Analysis)
4. **SPC** (Statistical Process Control)
5. **MSA** (Measurement System Analysis)

After having conferred ISO 9002 Certification in 1997 and QS 9000 Certification in 1999 (Re-certified in 2003) by BVQI, UK. The quality movement in “**GS**” has achieved its next milestone-ISO/TS 16949 re-accreditations in 2016. We are committed for sustain growth and satisfaction of customers through innovative business, technological, management practice and improving their effectiveness continually.

Philosophy:

- Understanding and serving the needs of customers.
- Providing distinctively superior value to the global market.
- Creating the conducive work environment for its employees.
- Serving the customers with technological advanced products.
- Delivering the best value to customers.

Human Resources:

Working at “**GS**” means being a part of leading team in the Indian automotives suspension and fastening component industry. Sustained leadership can be maintained only by highly motivated employees. “**GS**” management always gives its top priority to total job satisfaction and job security. The strength of “**GS**” is its people and sound Engineering Skills crystallized over a period of more than several decades. Our team of more than one thousand young dedicated technicians works in close co-operation with each other to offer its customers unchallenged quality and total customer satisfaction.

Key milestones since incorporation:

1938: Start of business activity.

1973: Converted into Private Limited Company as “Gurmukh Singh & Sons Pvt. Ltd.” on 29th June, 1973

1985: Renamed as G.S Auto International Ltd. with the successful raising of Funds through Public Issue and further got Listed in “The Bombay Stock Exchange Limited,” “The Delhi Stock Exchange Limited,” “The Ludhiana Stock Exchange Limited” and “The Ahmedabad Stock Exchange Limited”.

1997: ISO 9002 Certification in March 1997 by BVQI, U.K

1999: QS 9000 Certification in December 1999, by BVQI, U.K

2005: ISO / TS 16949 Certification in April 2005 by BVQI, U.K.

2007: The Company entered into trailer parts segments as well as also launched Commercial vehicle “Axle”

2010: The Company entered into manufacturing of parts for earth moving equipment’s.

2011: Delisted the equity share of the company from the two regional stock exchanges “The Delhi Stock Exchange Ltd. & “The Ahmedabad Stock Exchange Ltd.”, however the equity share of the Company remains to be listed at “The Bombay Stock Exchange Ltd.

2011: lay down the foundation stone for the new manufacturing unit at Jamshedpur with a total capex of Rs.64 Cr., with a total installed capacity of 12000 metric tonnes liquid metal p.a for S.G.Iron casting components.

2014: Successfully commenced the commercial production of the first phase of new manufacturing unit at Jamshedpur in July, 2013.

2014: Amalgamation of One of the group company with itself, in order to consolidate the group activities.

Directors' Report for the Year Ended March 31, 2019:

Dear Members,

Your Directors have immense pleasure in presenting the 45th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019:-

1. Financial Results :

	(Rs. in Lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations	15391.00	13416.45
Profit before Depreciation, Interest & Tax (PBDIT) & before exceptional items	806.72	509.22
Less: Depreciation & Amortization	428.66	470.54
Profit/(Loss) before Interest and Taxes (PBIT)	378.06	38.68
Interest & Financial expenses	466.91	468.61
Profit/(Loss) before Tax (PBT)	(88.85)	(429.93)
Less: - Provision for Tax		
- Current	0.00	00.00
- Deferred Tax	14.39	56.36
Profit/(Loss) after Tax (PAT) for the year	(74.46)	(373.57)
Add/ Less: Other comprehensive income	5.40	(7.00)
Total Comprehensive Income for the year	(69.06)	(380.57)
Earnings per Share (Rs.)		
--Basic & Diluted	(0.51)	(2.57)
Dividend per Share (Rs.)	-	-

Performance (On Standalone Basis):

During the year under review, there is improvement in the overall performance of the company, due to better product mix, better capacity utilization along with the benefits of introduction of GST. The revenue from operations (net) has increased to **Rs. 15391.00 lakhs**, as compared to revenue from operations (net) of Rs. 13416.45 lakhs of the previous year; this performance seems quite satisfactory along with the improvements in the overall margins of the Company.

During the year, your company has earned profit before depreciation & amortization, Interest & taxes (PBDIT) of **Rs. 806.71 Lakhs (5.24 % of Net Income)** as compared to previous year's profit before depreciation & amortization, Interest & taxes (PBDIT) of Rs. 509.22 lakhs (3.80% of Net Income), with an overall increase in the margin by 1.44% as compared to previous year. The increase in the EBITDA margin is mainly on account of increase in the prices of its products so to compensate the prices of its raw material and allied products and services. After provision for depreciation and amortization of **Rs. 428.66 lakhs** (previous year of Rs.470.54 lakhs), Interest & financial expenses of **Rs. 466.91 lakhs** (previous year of Rs. 468.61 lakhs), the company has earned a marginal loss before taxes of **Rs. 88.85 lakhs** as compared to the previous year's loss before taxes (PBT) of Rs. 429.93 lakhs.

After providing a provision for taxation & deferred tax of **Rs. (14.39) lakhs** (previous year Rs.(56.36) lakhs) there was a loss of **Rs. 74.46 lakhs** as compared to previous year's loss after tax of **Rs. 373.57 lakhs**. The overall performance of the company seems to be quite satisfactory.

2. Foreign Exchange Earnings:

During the year, your company has paid net foreign exchange of **Rs.316.90 Lakhs** (mainly on account of repayment of its long term liability from financial institution) (previous year Rs.92.91 lakh), after taking into consideration the foreign exchange payment of **Rs.784.95 Lakhs** (previous year Rs.679.19 Lakhs) on account of foreign exchange outgo, mainly for payment of interest & repayment of foreign currency term loan.

3. Quality:

The Company has retained its **ISO/TS 16949** certifications for its Quality Management System.

4. Dividend:

During FY 2018-19, the company had incurred losses. Accordingly, the Directors did not recommend any dividend on equity shares for the FY 2018-19.

5. Reserves:

During the period under review, no amount was transferred to reserves.

6. Management Discussion and Analysis Report:

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

7. Adequacy of Internal Control:

The Company has a proper and adequate system of internal control, to ensure that all assets are safeguarded, properly utilized and protected against loss from un-authorized use or disposition and those transactions are authorized and recorded by the concerned departments properly and reported to the Audit Committee/ Board effectively.

The Company has also in place adequate internal financial controls with reference to financial statements. Such controls are tested from time to time and no reportable material weakness in the design or operation has been observed so far.

8. Cash Flow Statement:

In conformity with the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cash Flow Statement for the year ended March 31, 2019, is annexed hereto.

9. Material Changes and Commitments affecting financial position of the Company:

There were no material changes and commitments, affecting the financial position of the Company that has occurred between the end of the financial year of the Company and the date of signing of this report.

10. Share Capital:

The paid-up equity share capital of the Company as on March 31, 2019 is Rs. 7.25 Crores. During the year under review the Company has not issued any shares. No shares with differential voting rights, stock or sweat equity shares were issued by the Company during the year under review. During previous year(s), the Company has transferred 4,10,670 Equity Shares to Investor Education and Protection Fund, pursuant to the provisions of sections 124 & 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

11. Subsidiary, Joint Venture and Associate Companies:

There are no any subsidiary companies within the meaning of Section 2(87) of the Companies Act, 2013 ("Act"). Further, there are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

12. Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal) Act, 2013.

13. Vigil Mechanism:

The Company has established a Vigil Mechanism and a Whistle Blower Policy in accordance with the provisions of the Act and Listing Regulations. Disclosures can be made by a whistle- blower through an email or a letter to the Chairman of the Audit Committee. The Vigil Mechanism Policy can be accessed at the Company's website www.gsgroupindia.com.

14. Research And Development:

The Company is developing certain machineries (Special purpose Machines), as per its various in house production process requirements, along with for the requirements of its group Companies, as & when required, under its Research & Development Centre.

15. Human Resource Development:

The Company has a team of able and experienced professionals and is always following the policy of Creating a healthy environment and work culture resulting into harmonious inter-personal relations.

16. Risk Management:

The Board of Directors has constituted Business Development and Risk Management Committee of the Company which has been entrusted with the responsibility to assist the Board to look out for the new ventures/new business opportunities, for the long term growth of the Company, keeping in mind the future prospect of auto component business & overall automotive industry as a whole and with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks efficiently and effectively.

17. Directors and Key Managerial Personnel (KMPs):

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of association of the Company, Mr. Jasbir Singh Ryait, Chairman, retires by rotation at the at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Pardeep Sehgal as an Additional Independent director. He will hold office up to the ensuing Annual General Meeting. His appointment as an Independent Director will be subject to the approval of shareholders. The Board has also appointed Mr. Harkirat Singh Ryait as an Executive Director for a term of consecutive three years with effect from 14th February, 2019. His appointment will be subject to the approval of shareholders.

On the recommendations of the Nomination and Remuneration Committee, the Board has promoted and re-designated Mr. Jasbir Singh Ryait as Chairman and Joint Managing Director for the period of three years with effect from 16th April, 2019, liable to retire by rotation. The Board has also re-appointed Ms. Dalvinder Kaur Ryait and Ms.

Amarjit Kaur Ryait for a period of three years with effect from 16th April, 2019, on the recommendation of the Nomination and Remuneration Committee.

The first term of office of Mr. Iqbal Singh and Mr. Upkar Singh Ahuja as Independent Directors expires at the ensuing Annual General Meeting. The Board has recommended re-appointment of Mr. Iqbal Singh and Mr. Upkar Singh Ahuja as Independent Directors for a second term of five years. As on the date of this report, the Company's Board consists of the following Independent Directors:

Mr. Upkar Singh Ahuja
Mr. Iqbal Singh
Mr. Avinash Sharma
Mr. Sharwan Sehgal
Mr. Pardeep Sehgal

The Company has received declarations from all the Independent Directors of the Company that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required. A brief note on Director retiring by rotation and eligible for re-appointment is furnished in the Notice.

18. Key Managerial Personnel:

In terms of Section 203 of the Companies Act, 2013, following persons are the KMPs of the Company:

Mr. Jasbir Singh Ryait	-	Chairman and Joint Managing Director
Mr. Surinder Singh Ryait	-	Managing Director
Mr. Neeraj Tuli	-	Chief Financial Officer
Ms. Amninder Kaur	-	Company Secretary

19. Board Evaluation:

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by
1.	Board and individual directors	Board after seeking inputs from all directors
2.	Board Committees	Board seeking inputs from all committee members
3.	Individual Directors	Nomination and Remuneration committee
4.	Non-independent directors, Board as a whole and the Chairman	Separate meeting of independent directors after taking views from executive directors.
5.	Board, its Committees and individual Directors	At the board meeting held after the meeting of the independent directors based on evaluation carried out as above.

20. Number of Meetings of the Board:

The Board met five times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

21. Familiarization Program for Independent Directors:

To familiarize the new inductees with the strategy, operations and functions of our Company, the senior management personnel make presentations to the inductees about the Company's strategy, operations, product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management. The details of such familiarization programmes for Independent Directors are posted on the website of the Company www.gsgroupindia.com.

22. Committees of the Board:

Currently, the Board has four committees: the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Business Development and Risk Management Committee. All committees consist of a combination of Independent as well as non-independent directors as stipulated under the provisions of the Companies Act, 2013. A detailed note on the Board and its Committees is provided under the Corporate Governance Report section in this Annual Report. The composition of the committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Name of the Committee	Composition of the Committee	Highlights of Duties, responsibilities and activities.
Audit Committee	Mr. Sharwan Sehgal Chairman *Mr. Avinash Sharma Mr. Jasbir Singh Ryait Mr. Iqbal Singh ** Mr. Jasbir Singh Bir	The Company has adopted the Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policies on related party transactions and material subsidiaries. The policies are available on the website www.gsgroupindia.com .
Nomination and Remuneration Committee	*Mr. Avinash Sharma Chairman Mr. Sharwan Sehgal Mr. Upkar Singh Ahuja **Mr. Jasbir Singh Bir	The committee oversees and administers executive compensation, reviews the compensation program to align both short term and long term compensation with business objectives and to link compensation with the achievement of measurable performance goals. The Nomination and Remuneration Committee has framed the Nomination and Remuneration Policy. A copy of the policy is appended as Annexure II
Stakeholders Relationship Committee	Mr. Upkar Singh Ahuja Chairman Mr. Sharwan Sehgal *Mr. Avinash Sharma **Mr. Jasbir Singh Bir	The committee reviews and ensures redressal of investor grievances. The committee noted that all the grievances of the investors have been resolved during the year.
Business Development and Risk Management Committee	Mr. Surinder Singh Ryait, Chairman Mr. Jasbir Singh Ryait	The purpose of Committee is to look out for the new ventures/new business opportunities, for the long term growth of the Company, keeping in mind the future prospect of auto component business & overall automotive industry as a whole and with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks efficiently and effectively.

* Appointed w.e.f. 14th August, 2018.

**Resigned w.e.f 30th May, 2018.

23. Auditors, Audit Report and Audited Accounts:

M/s Sukhminder Singh & Co. (ICAI Firm Registration No. 016737N), Chartered Accountants, Ludhiana, were appointed as Statutory Auditors in place of M/s Nanda & Bhatia in 43rd Annual General Meeting to hold office until the conclusion of 47th Annual General Meeting (AGM). Pursuant to the Companies (Amendment) Act, 2017, the requirement of ratification of appointment of the Auditors on yearly basis had been dispensed with.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and, therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors. The Statutory Auditors have not reported any fraud during the year under review

24. Cost Audit:

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Pawan Verma & Co., Cost Accountants were appointed as the Cost Auditors to conduct audit of cost records.

25. Secretarial Audit:

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Bhupesh Gupta & Associates, Practicing Company Secretaries were appointed as the Secretarial Auditor for auditing the secretarial records of the Company for the financial year 2018-19.

The Secretarial Auditors' Report in Form No. MR-3 as required under the Act for the financial year ended March 31, 2019 is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors. The Report forms part of this report as Annexure II.

26. Corporate Governance:

As per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure- I) as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

27. Deposits:

During the year under review, the Company has not accepted any deposits and as such no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

28. Safety, Environment and Health:

The Company considers safety, environment and health as the management's responsibility. Regular employee training programs are carried out in the manufacturing facilities on safety, environment and health.

29. Particulars of Loans, Guarantees and Investments:

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

30. Related Party Transactions:

All related party transactions that were entered into during the financial year, if any, were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the related party transactions are placed before the Audit Committee for approval on a quarterly basis. Members may refer to Note 44 to the Financial Statements which sets out related party disclosures pursuant to Ind AS.

The Policy on dealing with related party transactions and the Policy for determining material subsidiaries as approved by the Board of Directors may be accessed on the Company's website at www.gsgroupindia.com

31. Employee Strength:

The total number of permanent employees on the rolls of the Company was 867 as on March 31, 2019 (967 was in the previous year).

32. Remuneration of Directors/ Employees and related analysis:

During the period under review, no employee of the Company received salary in excess of the limits as prescribed under the Act. Accordingly, no particulars of employees are being given pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Other information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled thereto. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the corporate office of the company. The said information is also available for inspection at the registered office during working hours up to the date of the Annual General Meeting. Company has not offered its shares to its employees under ESOS during the year under review. Company has not sanctioned loan to any of its employees for purchase of Company's shares under any scheme.

33. Code of Conduct:

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.gsgroupindia.com. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Managing Director is given at the end of the Corporate Governance Report.

34. Prevention of Insider Trading:

Based on the requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure") and the Code of Conduct to regulate, monitor and report trading by employees and other connected persons ("Code of Conduct") as approved by the Board on 14.05.2015 are in force by the Company. The objective of this code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Employees and Specified Persons. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Designated Employees and Specified Persons from trading in the securities of the Company at the time when there is unpublished price sensitive information. The code has also been placed on the website of the Company www.gsgroupindia.com.

35. Significant and Material orders passed By the Regulators or Courts:

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

36. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure IV to this report.

37. Extract of Annual Return:

In accordance with the requirements of 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 Form MGT-9 is furnished as Annexure No. IV to this report. The same is also available on the website of the Company www.gsgroupindia.com.

38. Directors' Responsibility Statement:

In compliance of section 134(5) of the Companies Act, 2013, the Directors of your Directors confirm:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that your Directors have 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 March 31, 2019 and of the loss of the Company for the year ended on that date;
- iii. that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. Finance

During the year under review, the Company has repaid all its long term loans/debts from Bank and financial institutions.

40. Insurance

Your Company has adequately insured all its properties including Plant and Machinery, Building and Stocks.

41. Change in Nature of business

No changes have been made in the nature of business carried out by the Company during the financial year 2018-19.

42. Acknowledgements:

Your Directors place on record their sincere appreciation gratitude to the continuing patronage and trust of our valued customers, bankers, financial institutions, business associates, shareholders and other statutory authorities who have extended their continued support and encouragement to your Company. Your Directors wish to convey their deep appreciation to the customers, dealers, distributors of the Company for their achievements in the field of sales and service and to suppliers and vendors and other business associates for their valuable support.

Your directors also place on record their sincere appreciation for the enthusiasm and commitment of all its employees for the growth of the Company and look forward to their continued involvement and support.

For and on behalf of the Board of Directors

Place: Ludhiana

Date: 14th August, 2019

**Sd/-
Jasbir Singh Ryait
Chairman and Jt.
Managing Director
DIN:00104979**

**Sd/-
Surinder Singh Ryait
Managing Director
DIN:00692792**

Corporate Governance Report:

Corporate governance refers to the set of systems, principles and processes by which a company is governed to ensure the company is managed to suit the best interest of all the stakeholders. The Corporate Governance structure specifies distribution of rights and responsibilities among different participants in the corporation, such as, the board, managers, shareholders and other stake holders, and spells out the rules and procedures for making decisions on corporate affairs. Corporate governance provide the guidelines as to how the company can be directed or controlled such that it can fulfill all its goals and objectives in a manner that adds to the value of the company and is also beneficial for all the stakeholders in the long term. Stakeholders include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all the others.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Board of Directors and the Management of your Company commit themselves to achieve excellence in Corporate Governance by:

1. Ensure transparency and professionalism in the all decisions and transactions of your Company;
2. Strive towards the medium and long term enhancement of shareholder value through sound business decisions, prudent financial management and high standard of ethics throughout your Company;
3. Conforming to prevalent guidelines on Corporate Governance; regularly reviewing the processes of Board and Management systems directed towards continuous improvement.
4. Legal and Statutory Compliances in letter and spirit.

BOARD OF DIRECTORS:**Composition as on March 31, 2019:**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board. As on March 31, 2019, the Board comprised of ten directors, out of which 50% are Executive and 50% are Non-Executive Directors. The Company has an Executive Chairperson. Out of total strength of ten directors, five i.e. 50% are independent, thus it meets the stipulated requirement. None of the directors on the Board is a member of more than ten Board level Committees or acts as Chairman of more than five Board level committees. Further, none of the Independent Directors act as Independent Director in more than seven listed companies. The Managing Director does not serve as Independent Director in any other listed company. In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and are independent of the management.

Other details relating to the Board are as follows:

Name of Director	Designation	Category	Shareholding in Company (No. of shares)	Total No. of Directorships in other Public Limited Companies	Total No. of Committee Memberships in other Public Limited Companies	Total No. of Board Chairmanship in other Public Limited Companies	Total No. of Committee Chairmanship in other Public Limited Companies
Mr. Jasbir Singh Ryait	Chairman & Jt. Managing Director	Executive, Non-Independent	580550	-	-	-	-
Mr. Surinder Singh Ryait	Managing Director	Executive, Non-Independent	654430	-	-	-	-
Ms. Dalvinder Kaur Ryait	Executive Director	Executive, Non-Independent	144860	-	-	-	-
Ms. Amarjit Kaur Ryait	Executive Director	Executive, Non-Independent	123820	-	-	-	-
*Mr. Harkirat Singh Ryait	Executive Director	Executive, Non-Independent	-	-	-	-	-
Mr. Sharwan Sehgal	Independent Director	Non-Executive, Independent	-	-	-	-	-
Mr. Upkar Singh Ahuja	Independent Director	Non-Executive, Independent	-	4	-	-	-
**Mr. Jasbir Singh Bir	Independent Director	Non-Executive, Independent	-	-	-	-	-
Mr. Iqbal Singh	Independent Director	Non-Executive, Independent	-	-	-	-	-
Mr. Pardeep Sehgal	Independent Director	Non-Executive, Independent	-	-	-	-	-
Mr. Avinash Sharma	Independent Director	Non-Executive, Independent	-	-	-	-	-

Note : 1. Mr. Jasbir Singh Ryait, Chairman and Jt. Managing Director, Mrs. Dalvinder Kaur Ryait, Executive Director, Mr. Surinder Singh Ryait, Managing Director, Mrs. Amarjeet Kaur Ryait, Executive Director and Mr. Harkirat Singh Ryait, Executive Director are related to each other as per Section 2(77) of Companies Act, 2013 read with Rule 4 of the Companies (Specification of definition details) Rules, 2014.

2. For the purpose of SEBI (LODR) Regulations, 2015, the Committees considered are only the Audit Committee and the Shareholders/ Investors Grievance Committee of Public Limited Companies.

3. Directorships of only public limited companies have been considered.

MEETINGS:

Meeting details- Board and Committees:

At least four Board Meetings are held in a year, one in each quarter to review the financial results and other items on the agenda. The maximum gap between any two consecutive meetings does not exceed 120 days. Every Director on the Board/ Committee is free to suggest any item for inclusion in the agenda for the consideration of Board/ Committee.

Pursuant to Schedule IV of the Companies Act, 2013 and the rules made there under, the independent directors of the Company hold at least one meeting in a year without the attendance of non-independent directors and members of the Management. All the independent directors of the Company strive to be present at such meetings. The meeting is intended to review the performance of non-independent directors and the Board as a whole, to review the performance of the Chairman of the Board, take into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Management and the board that is necessary for it to effectively and reasonable perform its duties.

The Company also holds Audit Committee Meetings, *inter-alia*, to review financial results. Meetings of other Committees of the Board are held whenever matters falling under their terms of reference need discussion and decision. Following are the details of meetings of Board of Directors, Committees thereof and Independent Directors' Meeting held between April 1st, 2018 and March 31st, 2019:

Sr. No.	Meetings	No. of meetings held during the year	Date of meetings
1	Board of Directors	5	30 th May, 2018, 14 th August, 2018, 23 rd August, 2018, 14 th November, 2018 and 14 th February, 2019.
2	Audit Committee	5	30 th May, 2018, 14 th August, 2018, 23 rd August, 2018, 14 th November, 2018 and 14 th February, 2019.
3	Nomination & Remuneration Committee Meeting	1	14 th February, 2019.
4	Stakeholders' Relationship Committee	4	30 th May, 2018, 14 th August, 2018, 14 th November, 2018 and 14 th February, 2019.
5	Independent Directors' Meeting	1	14 th February, 2019

Attendance of each Director at the Meetings of the Company

The details of attendance of each Director of the Company in the Board and Committee Meetings held during the financial year 2018-19 are given below:

Name of the Director	Board Meeting	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Mr. Jasbir Singh Ryait	5	5	-	-
Mr. Surinder Singh Ryait	5	-	-	-
Ms. Dalvinder Kaur Ryait	5	-	-	-
Ms. Amarjit Kaur Ryait	5	-	-	-
Mr. Harkirat Singh Ryait*	1	-	-	-
Mr. Sharwan Sehgal	5	5	1	4
Mr. Upkar Singh Ahuja	5	-	1	4
Mr. Jasbir Singh Bir**	1	1	1	1
Mr. Iqbal Singh	5	5	-	-
Mr. Avinash Sharma***	4	3	1	3
Mr. Pardeep Sehgal*	1	-	-	-

- Not a member of the Committee; * Appointed w.e.f February 14, 2019.

** Resigned w.e.f May 30, 2018 ; *** Appointed w.e.f August 14, 2018.

Board Procedure:

A detailed folder of agenda & notes thereon is sent to each Director in advance of Board and committee meeting. All material information is incorporated in the agenda for facilitating meaningful and purposeful discussion at the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with the permission of Chairman of the meeting. To enable the Board to discharge their duties effectively, the Managing Director appraises the Board regarding overall performance of the Company at every meeting.

The Board reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company. The board also reviews major legal issues, significant labor problems and their proposed solutions, minutes of the Committees of the board, significant transactions and arrangement entered into by the company, adoption of financial results, transactions pertaining to purchase or disposal of properties, major accounting provisions and information on recruitment of officers just below the Board level including the appointment or removal of Chief Executive Officer and Chief Financial Officer. Board also take note on non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Board Level Committees:

The Board has constituted various Committees for smooth and efficient operation of the activities and is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees in line with the laws of land. The Chairman, quorum and the terms of reference of each committee have been approved by the Board.

Composition of Committees:

Audit Committee	Mr. Sharwan Sehgal, Independent Director (Chairman of Committee) *Mr. Jasbir Singh Bir, Independent Director Mr. Iqbal Singh, Independent Director Mr. Jasbir Singh Ryait, Non-Independent Director **Mr. Avinash Sharma, Independent Director
Nomination & Remuneration Committee	*Mr. Jasbir Singh Bir, Independent Director (Chairman of Committee) Mr. Sharwan Sehgal, Independent Director Mr. Upkar Singh Ahuja, Independent Director **Mr. Avinash Sharma, Independent Director (Chairman of Committee)
Stakeholders' Relationship Committee	Mr. Upkar Singh Ahuja, Independent Director (Chairman of Committee) *Mr. Jasbir Singh Bir, Independent Director Mr. Upkar Singh Ahuja, Independent Director **Mr. Avinash Sharma, Independent Director
Business Management & Risk Management Committee	Mr. Jasbir Singh Ryait, Non-Independent Director Mr. Surinder Singh Ryait, Non-Independent Director

* Resigned w.e.f. May 30, 2018.

** Appointed w.e.f August 14, 2018

Mrs. Amninder Kaur, Company Secretary and Compliance Officer is the Secretary of all Board Committees constituted under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of reference of Committees:

Currently, the Board has four committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Business Development and Risk Management Committee. All committees except the Audit Committee consist entirely of independent directors. Recommendations of the committees are submitted to the Board for approval.

Audit Committee:

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee has been expanded to include the requirements of the Companies Act, 2013 are inter-alia as under:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
3. Review of the quarterly and half yearly financial results with the management and the statutory auditors.
4. Review with the management and statutory auditors of the annual financial statements before submission to the board.
5. Examination of the financial statement and the auditor's report thereon.
6. Approval or any subsequent modification of transactions of the Company with related parties.
7. Evaluation of internal financial controls and risk management systems.
8. Monitoring the end use of funds raised through public offers and related matters.

All the Members of Audit Committee are financially literate and have accounting knowledge to interpret and understand the financial statements. Mr. Sharwan Sehgal is the Chairman of the Audit Committee.

The Audit Committee meetings are held at the Registered Office of the Company and Statutory Auditor, Company Secretary and Head of Accounts Department are permanent invitees to the meetings.

Stakeholder's Relationship Committee:

The Stakeholders' Relationship Committee has been constituted to look into and redress the Shareholders/ Investors grievances. All the members of the Committee are Non- Executive Independent Directors. The objective of Shareholders and Investors Grievance Committee to look into and redress shareholders/investors grievances relating to transfer of shares, non-receipt of declared dividend, annual reports, all such complaints directly concerning the shareholders/investors as stakeholders of the company, any such matters that may be considered necessary in relation to Shareholders/investors of the company. The committee oversees the performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

Mr. Upkar Singh Ahuja is the Chairman of the Stakeholders' Relationship Committee.

Mrs. Amninder Kaur, Company Secretary is the Compliance Officer of the Committee. The Committee meets as and when required, to deal with the investor related matters etc. The terms of reference of the Stakeholders Relationship Committee are in accordance with the SEBI (LODR) Regulations, 2015 as amended from time to time.

To expedite the process of share transfers, the Board has delegated the powers of share transfer to the Registrars and Share Transfer Agent and share transfer formalities are approved by them on a fortnightly basis.

Detail of Queries/grievances/requests, received and redressed by the Shareholder's Grievance Committee during 2018-2019:

Nature of complaints	Received during 2018-19	Resolved during 2018-19	Pending as on 31.03.2019
Non-receipt of Dividend/ Annual Report	4	4	0

It has also been noted that the shareholding in dematerialized mode as on March 31, 2019 was 97.22%.

Nomination & Remuneration Committee:

The terms of reference of Nomination and Remuneration Committee are as per the SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The broad terms of reference of Nomination & Remuneration Committee as approved by the Board are as under:

- Determining qualifications, positive attributes and independence of a Director;
- Performance evaluation of Independent Directors, non-independent Directors, Chairman and the Board;
- Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, as may be decided by the Committee;
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Performance evaluation of independent directors is performed by the Nomination and Remuneration Committee and the Board after seeking inputs from all directors.

Business Development and Risk Management Committee

The Company has set up a Business Development and Risk Management Committee, the purpose of Committee is to look out for the new ventures/new business opportunities, for the long term growth of the Company, keeping in mind the future prospect of auto component business & overall automotive industry as a whole and with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks efficiently and effectively.

Directors' Remuneration:

Policy for Directors' Remuneration:

Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the directors. All Board –level compensation is approved by the shareholders and disclosed in the financial statements. The details of compensation paid during the FY 2018-19 are given below:

Executive Directors:

The Company pays remuneration to Chairman & Jt. Managing Director, Managing Director and Executive Directors as approved by the Board of Directors and the Members of the Company in the General Meeting.

Names of the Directors	Category	Salary & Perquisites (Rs.)	Total Remuneration (Rs.)
Mr. Jasbir Singh Ryait	Chairman & Jt. Managing Director	79,53,590/-	79,53,590/-
Mr. Surinder Singh Ryait	Managing Director	4,77,250/-	4,77,250/-
Ms. Dalvinder Kaur Ryait	Executive Director	76,92,600/-	76,92,600/-
Ms. Amarjit Kaur Ryait	Executive Director	3,82,200/-	3,82,200/-
Mr. Harkirat Singh Ryait*	Executive Director	3,61,599/-	3,61,599/-

* W.e.f February 14, 2019

Non-Executive Director:

The Company does not provide any remuneration, sitting fee or commission to the Non- Executive Directors.

List of core-skills/ expertise/ competence identified by the Board of Directors as required in the context of its business (es):

Skill Area	Description
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to assess financial viability and performance, contribution to financial planning and efficient use of resources.
Product Skills	Knowledge and experience in Auto Industry.
Commercial Experience	A broad range of commercial and business experience including marketing systems.
Strategy and Planning	Ability to think strategically and identify strategic opportunities and threats.

Shareholders:

a) Annual General Meetings of the Company:

The details of General Meetings held during the last three financial years are given as follows:

Meeting	Date & Time	Venue	Special Resolutions passed
44 th Annual General Meeting for the FY ended March 31, 2018	29 th September, 2018 at 11.00 A.M.	Regd. Off. G.S. Estate, G.T. Road, Ludhiana.	No special resolution was passed at the meeting.
43 rd Annual General Meeting for the FY ended March 31, 2017	29 th September, 2017 at 11.00 A.M.	Regd. Off. G.S. Estate, G.T. Road, Ludhiana.	No special resolution was passed at the meeting.
42 nd Annual General Meeting for the FY ended March 31, 2016	30 th September, 2016 at 11.00 A.M.	Regd. Off. G.S. Estate, G.T. Road, Ludhiana.	<p>i. Appointment of Mr. Jasbir Singh Ryait (DIN: 00104979) as Chairman & Whole Time Director of the Company.</p> <p>ii. Increase in the remuneration of Ms. Dalvinder Kaur Ryait, Executive Director.</p> <p>iii. Approval to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties.</p>

All the resolutions including Special Resolutions set out in the respective notice were passed by the requisite majority of shareholders.

b) Means of Communication:

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchange and the Registrar of Companies. The Quarterly Financial Results are published in daily newspapers viz. "Business Standard" and "Desh Sewak". Simultaneously, the same is also uploaded on the Company's official website www.gsgroupindia.com and BSE Listing Centre which is a web based application designed by BSE for corporate. All Corporate Announcements and Compliances are filed electronically on BSE Listing Centre.

General Shareholder Information:**a) Annual General Meeting:**

Date	September 30, 2019
Day	Monday
Time	11.00 A.M.
Venue	Regd. Office, G.S. Estate, G.T. Road, Ludhiana.

b) Financial calendar:

Next Financial Year: April 1, 2019 to March 31, 2020.

c) Company Registration Details, Listing Details & ISIN Details:

A. Corporate Identification No.(CIN)	L34300PB1973PLC003301	
B. Listing at Stock Exchanges	Trading Code	Address
	*Details of listing fee	
1. BSE Ltd.	513059 *Listing fee of 2018-19 paid	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001
C. International Security Identification No.(ISIN) in NSDL and CDSL	Particulars	ISIN
	Equity Shares *Depository fee for 2019-20 paid to NSDL & CDSL	INE736H01024

d) Financial Reporting for 2019-20 (Tentative):

First Quarter un-audited Results- June 30, 2019	August, 2019
Half Yearly un-audited Results – September 30, 2019	October' 2019
Third Quarter un-audited Results- December 31, 2019	February' 2020
Fourth Quarter Audited Results-March 31, 2020	May' 2020

e) Stock Market data:

The monthly-wise highest and lowest stock prices of BSE during the financial year 2018-19 is given below:

*Face value of Rs. 5/- per equity share.

Stock Market Data:

Month	BSE Sensex		Company's Share		Volume (No. of Shares)
	High (in Rs.)	Low (in Rs.)	High (in Rs.)	Low (in Rs.)	
April' 2018	35213.30	32972.56	15.30	11.85	128585
May' 2018	35993.53	34302.89	14.40	11.00	184704
June' 2018	35877.41	34784.68	12.39	8.85	189517
July' 2018	37644.59	35106.57	10.99	7.70	112603
Aug' 2018	38989.65	37128.99	11.50	8.61	165483
Sept' 2018	38934.35	35985.63	11.00	7.70	112603
Oct' 2018	36616.64	33291.58	10.50	7.36	59955
Nov' 2018	36389.22	34303.38	10.04	8.21	87870
Dec' 2018	36554.99	34426.29	10.00	7.76	82042
Jan' 2019	36701.03	35375.51	8.90	6.85	53957
Feb' 2019	37172.18	35287.16	9.49	6.11	75130
Mar' 2019	38748.54	35926.94	8.30	7.00	72557

f) Registrar & Transfer agent:

M/s Skyline Financial Services Pvt. Ltd. New Delhi is the Registrar and Share Transfer Agent of the company for handling the share transfer work in physical and electronic form. All correspondence relating to share transfer, transmissions, dematerialization, rematerialisation etc. can be made at the following address:

M/S Skyline Financial Services Pvt. Ltd. ,D/153A, Okhla Industrial Area, Phase 1, New Delhi- 110020, Phone No. **011 64732681-88 (8 Lines)**. E – Mail: admin@skylinertta.com

g) Share Transfer System:

The Company processes the Share Transfer and other related Shareholders services through Registrar and Share Transfer Agent (RTA) on a fortnight basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects. The Company has a Stakeholders' Relationship Committee, which considered and approves the share transfers and to resolve any query or problem in relation thereto.

h) Distribution of Shareholding as on March 31, 2019:

Nominal Value of Shares	No. of Shareholders	% to Total Number	Shareholding Amount	% to Total Amount
1-5,000	6310	87.59	8423010	11.61
5,001-10,000	396	5.50	3152815	4.34
10,001-20,000	221	3.07	3222245	4.44
20,001-30,000	99	1.37	2493230	3.44
30,001-40,000	41	0.57	1441570	1.99
40,001-50,000	39	0.54	1833510	2.53
50,001-1,00,000	47	0.65	3447790	4.75
1,00,001 & above	51	0.71	48558730	66.91
Total	7204	100.00	72572900	100.00

i) Categories of equity shareholders as on March 31, 2019:

CATEGORY	NO. OF SHARES HELD	%AGE OF SHAREHOLDING
(A) Promoters Holding		
1 Individuals	1685200	11.61
2 Bodies Corporate	4368340	30.10
Total Shareholding of Promoters	6053540	41.71
(B) Non- Promoters Holding		
Mutual Funds, Banks, Financial Institutions, Insurance Companies etc.	Nil	Nil
1 Foreign Portfolio Investors	Nil	Nil
2 Bodies Corporates	813851	5.61
3 Non-Resident Individuals	29236	0.20
4 Indian Public & Others	7617953	52.48
Total Shareholding of Public	8461040	58.29
Total (A + B)	14514580	100.00

j) Dematerialization of shares and Liquidity: The Equity shares of the Company traded and settled in the dematerialized form. The details of the equity shares dematerialized as on March 31, 2019 is given hereunder:

Particulars	As on March 31, 2018		As on March 31, 2019	
	No. of Shares	Percent	No. of Shares	Percent
No. of shares dematerialized				
-NSDL	4811554	33.15	4784073	32.96
-CDSL	9292388	64.02	9327769	64.26
No. of shares in Physical Form	410638	02.83	402738	02.77
Total	14514580	100.00	14514580	100.00

k) Unclaimed Dividend:

Unpaid Interim Dividend for the FY 2009-10 and Final Dividend for the FY 2010-11 and the shares corresponding to the unclaimed dividend for the consecutive seven years have been transferred to Investor Education and Protection Fund.

The shareholders having claims w.r.t above unpaid dividends may approach the Company or M/s Skyline Financial Services Private Limited, the Registrar and Share Transfer Agent of the Company.

l) Credit Rating:

During the year under review, the Company has received the following credit ratings

Facilities	Ratings	Remarks
Long term Bank Facilities	BWR B- (Outlook Stable)	Upgrade
Short term Bank Facilities	BWR B- (Outlook Stable)	Upgrade
Non-Fund Based-Bank Facilities	BWR A4	Upgrade

m) Company Secretary/ Compliance Officer:

Mrs. Amninder Kaur, ACS is the Company Secretary and Compliance Officer of the Company.

n) Plant Location:

Unit 1 : G.S. Estate, G.T. Road, Ludhiana.

Unit 2 : M-09 Large Sector, Tata Kundra Main Road, Industrial Area, Adityapur Development
Authority, Jamshedpur

o) Address for Correspondence:

Registered Office : G S Estate, G.T. Road, Ludhiana – 141010

Telephone : 0161-2511001-05

Fax : 0161-2511085

Web Site : www.gsgroupindia.com

E-mail ID : info@gsgroupindia.com exclusively for the redressal of investor's grievances.

Other Disclosures:

a) Related Party Transactions

There was no material related part transaction, pecuniary transaction or relationship between the Company and its Directors, promoters or the management that may have potential conflict with the interests of the Company at large. The details of related party transactions are detailed in the notes to the Financial Statements disclosed as per applicable accounting standards. Policy on dealing with Related Party Transactions has been duly adopted by the Company and the same is uploaded on the official website of www.gsgroupindia.com.

b) Compliances made by the Company

The Company has continued to comply with the requirements as specified in Regulation 17 to 27 & Regulation 46(2)(b) to 46(2)(i) along with other applicable provisions of the SEBI (LODR) Regulations, 2015 and other statutory authorities on all matters related to capital market. There has been no instance of non-compliance by the company or penalty or strictures imposed on the company by the stock exchanges or SEBI or any statutory authority on any matter related to capital market, during the last three years.

I. Disclosure on website in terms of Listing Regulations:		
Item		Compliance status (Yes / No / NA)
Details of business		Yes
Terms and conditions of appointment of independent directors		Yes
Composition of various committees of board of directors		Yes
Code of conduct of board of directors and senior management personnel		Yes
Details of establishment of vigil mechanism/ Whistle Blower policy		Yes
Criteria of making payments to non-executive directors		Yes
Policy on dealing with related party transactions		Yes
Policy for determining 'material' subsidiaries		Yes
Details of familiarization programmes imparted to independent directors		Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances		Yes
Email address for grievance redressal and other relevant details		Yes
Financial results		Yes
Shareholding pattern		Yes
Details of agreements entered into with the media companies and/or their associates		NA
New name and the old name of the listed entity		NA
II. Annual Affirmations:		
Particulars	Regulation Number	Compliance status (Yes / No / NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes

Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transactions	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	N.A.
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

c) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy (Vigil Mechanism) to provide a formal mechanism to the employees, to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Conduct or Ethics Policy, ensures timely and consistent organizational response, build and strengthen a culture of transparency and trust.

The Company has set up a direct touch initiatives, under which all the employees/ business associates have direct access to the Management. The policy provides for adequate safeguards against victimization of employees.

d) Familiarization Program for Independent Directors:

The details of familiarization program for independent directors are available on the official website www.gsgroupindia.com.

e) Code for prevention of Insider Trading:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015, the company has adopted a Code for Prevention of Insider Trading. The objective of the code is to restrict an insider from dealing in the shares of the company either directly or indirectly when in possession of unpublished price sensitive information. The code is applicable to the directors and designated employees / persons associated with the company. The code

enumerates the procedure to be followed for dealing in the shares of the company and periodic disclosures to be made. The Company also informs the stock exchange(s) periodically about the shareholdings of the directors as per the regulations.

f) Code of Conduct:

The Code has been laid down by the Board, which has been circulated to all the concerned and the same is also hosted on the website of the Company www.gsgroupindia.com. As required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, all board members and senior management have affirmed compliance with this code. A declaration signed by the Managing Director to this effect is forming part of this report.

g) Total Fee paid to Statutory Auditors:

The Company has paid Rs. 100000/- to the statutory auditors for all services. The detail of the same is given in Note No. 34 of Notes forming part of financial statements. The Company has no subsidiary company.

h) Sexual Harassment of women at Workplace:

Details of Complaints received and resolved during the year 2018-19 are as under:

Nature of Complaints	No. of Complaints during the year		
	Filed	Disposed	Pending
Sexual Harassment of Women at Workplace	0	0	0

COMPLIANCE STATUS WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON MANDATORY REQUIREMENTS OF PROVISIONS OF SEBI (LODR) REGULATIONS, 2015

Mandatory Requirements:

The Company has complied with all the mandatory requirements entered into with Stock Exchanges and SEBI (LODR) Regulations, 2015.

Non-Mandatory Requirements:

Shareholder's Rights:

The quarterly results of the Company are published in one English and one Punjabi newspaper, having wide circulation in Punjab. In the view of forgoing, the half yearly results of the Company are not sent to the shareholders individually.

Audit Qualification:

It is always the company's endeavor to present unqualified financial statements. There is no audit qualification in the company's financial statements for the year ended March 31, 2019.

Permanent Account Number:

SEBI has made it mandatory for every participant in the securities /capital market to furnish PAN issued by the Income Tax dept. Accordingly all shareholders are required to submit their PAN along with a photocopy of both sides of the Pan card duly attested. Shareholders with shareholding in physical form are requested to send a copy of the PAN card of all holders (including joint holders) duly attested, by Notary Public/Gazetted Officer/ Bank manager under their official seal and stating their full name and address, folio no. to the company or its Registrar and STA. Shareholders holding shares in electronic form are required to furnish their PAN details to their Depository Participant with whom they maintain their account along with the documents as required by them.

Register Nominations:

To enable successors to get the shares transmitted in their favour without hassles, the members may register their nomination. Member(s) desirous of availing this facility may submit their nomination in Form SH-13 which can be obtained from Skyline Financial Services Private Limited (Registrar Cum Share Transfer Agent) at the address mentioned above. Members holding shares in Dematerialized form are requested to register their nomination directly with their respective DPs.

Consolidation of folios and avoidance of multiple mailing:

In order to enable the company to reduce costs and duplicity of efforts for providing services to investors members who have more than one folio in the same order of names, are requested to consolidate their holdings as under one folio. Members may write to the registrar indicating the folio numbers to be consolidated along with the original share certificates to be consolidated.

Maintaining of Chairperson's office by Non-Executive Director:

No, as the Company has appointed Executive Director as Chairperson.

Update Addresses:

To receive all communications promptly, please update your address with the Company or its Registrar.

Declaration**To the Shareholders of G.S Auto International Limited**

Sub: Compliance with Code of Conduct

The Company has adopted a code of conduct which deals with governance practices expected to be followed by the Board members and senior management employees of the Company. Therefore, I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2019.

For and on behalf of the Board of Directors

Place: Ludhiana
Date: 14th August, 2019

Sd/-
Surinder Singh Ryait
Managing Director
DIN:00692792

Certificate on Compliance of Corporate Governance

**The Members of
G.S.Auto International Limited,
G.S.Estate, G T Road,
Ludhiana**

We have examined the compliance of conditions of Corporate Governance by G.S. Auto International Limited ('the Company'), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For SUKHMINDER SINGH & CO.
Chartered Accountants
Firm Regn. No. 016737N**

**Sd/-
Sukhminder Singh
Partner
Membership No. 093100**

**Place: Ludhiana
Date: 14th August, 2019**

To the Board of Directors of G.S.Auto International Limited certification by Chief Executive Officer/Managing Director and Chief Financial Officer of the company.

(Under Regulation 17 read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of G. S Auto International Limited, ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statement and the cash flow statement for the year 2018-19 and that to the best of our knowledge and belief:
 - i) these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2018-19 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
 - iii) Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ludhiana
Date: 14th August, 2019

Surinder Singh Ryait
Managing Director

Neeraj Tuli
Chief Financial Officer

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
G S Auto International Limited
G S Estate, G T Road,
Ludhiana- 141010

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 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;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: Not Applicable during the Audit Period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) 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-Not Applicable during the audit period;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-Not Applicable during the audit period; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-Not Applicable during the audit period;
- (vi) 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 as per list attached herewith.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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 Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in 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.

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

We further report that during the audit period the company has not done any act which having major bearing in the Company's affair in pursuance of above referred laws, rules, regulation, guidelines, standards etc.

**For B.K. Gupta & Associates
Company Secretaries**

**Sd/-
(Bhupesh Gupta)
Company Secretary
FCS No.:4590
C P No.: 5708**

**Place: Ludhiana
Date : 14th August, 2019**

- ❖ 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
Employees 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
Hazardous Waste (Management, Handling and Transboundary Movements) Rules, 2008

**The Members,
G S Auto International Limited
G S Estate, G T Road,
Ludhiana- 141010**

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 verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For B.K. Gupta & Associates
Company Secretaries**

**Sd/-
(Bhupesh Gupta)
Company Secretary
FCS No.:4590
C P No.: 5708**

**Place: Ludhiana
Date: 14th August, 2019**

Information as per Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 forming part of the Director's Report for the year ended March 31, 2019:

I) Conservation of Energy:

Energy conservation measures taken: - Conservation of energy is a continuous process and further various austerity measures were undertaken to curb consumption of Furnace oil consequent of change over to electrical system during the year.

Total Energy consumption and energy consumption per unit of production as per Form "A" of the Annexure to the rules in respect of industries specified in the schedule thereto:

Form-A		(Rs.in lacs)	
		Financial Year 2018-19	Financial Year 2017-18
A.	Power & Fuel Consumption:		
1.	Electricity		
	Purchased Unit	13315806	12636947
	Total amount (Rs.)	866.01	862.33
	Rate/Unit	06.50	06.82
	Own Generation		
	Through Diesel Generator (Rs.)	57.73	67.48
	Unit per ltr	01.92	02.25
	Cost/Unit	35.06	27.57
2	Coal		
	Quantity (Tones)	00.530	00.539
	Total Cost (Rs.)	00.10	0.07
	Average Rate	19714.29	13701.30
3	HPS/LDO		
	Quantity (Tones)	25.633	33.869
	Total Cost (Rs.)	08.71	14.95
	Average Rate	34.01	44.14
4	Gas		
	Quantity (Ltrs)	34540.00	37540
	Total Cost (Rs.)	18.87	21.13
	Average Rate	54.63	56.29
B	Consumption per Unit of Production**		
	Product	-	-
	Electricity	-	-
	Furnace Oil	-	-
	Coal	-	-
	Others	-	-

** In view of various items produced, it is not possible to give the required information.

II) Technology Absorption:

Research and Development;

Research and Development efforts in a manufacturing Company like ours, is an ongoing process. It is not possible to determine the benefits derived as a result of above said Research & Development activities. Continuous efforts are being put in by ways of Research & Development activities in all the areas of manufacturing activities so to reduce the cost of major inputs such as steel, fuel & power etc.

Technology Absorption, Adaptation and Innovations;

The Company is carrying on its manufacturing operation by its in house technology generated. However Continuous efforts are being made on conservation of raw material by improving design and layout of dies. No technology has been imported during the last five years.

III) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings and Surplus:

		(Rs.in lacs)						
a)	Activities relating to exports:	During the year ended March 31, 2019 the Export was at Rs. 315.83 Lakhs (previous year Rs. 603.27 Lacs)						
b)	Initiatives taken to increase exports, development of new exports markets for products, services, and exports plans.	Vigorous efforts are taken by the marketing department for new multinational customers and other export markets in additions to its Customers and existing export markets.						
c)	Total Foreign Exchange Used and Earned (On Cash basis)	<table><tr><th>Current Year</th><th>Previous Year</th></tr><tr><td>Used</td><td>679.19</td></tr><tr><td>Earned</td><td>586.28</td></tr></table>	Current Year	Previous Year	Used	679.19	Earned	586.28
Current Year	Previous Year							
Used	679.19							
Earned	586.28							

For and on behalf of the Board of Directors

Sd/-
Jasbir Singh Ryait
Chairman and
Jt. Managing Director
DIN:00104979

Sd/-
Surinder Singh Ryait
Managing Director
DIN:00692792

Place: Ludhiana
Date : 14th August, 2019

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

REGISTRATION DETAILS:

CIN	L34300PB1973PLC003301
Registration Date	29.06.1973
Name of the Company	G.S. Auto International Limited
Category/ Sub-Category of the Company	Automotive Components
Address of the Registered Office and contact details	G.S. Estate, G.T. Road, Ludhiana-141010 Contact No.: 0161-2511001-05 Fax:0161-2510885 Email: amninder@gsgroupindia.com
Whether listed company	Yes
Name, Address and Contact Details of Registrar and Transfer Agent	M/s Skyline Financial Services Pvt. Ltd. D-153 A, Okhla Industrial Area, Phase-1, New Delhi-110020 Contact: 011-64732681-88, 011-26812682

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Casting Components	24319	26.18
2.	Manufacturing of Suspension Components	29031	73.82

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
		N.A.			

SHAREHOLDING PATTERN:

Category wise Shareholding:

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter and Promoter Group									
Indian									
Individuals/ Hindu Undivided Family	1685200	0	1685200	11.61	1685200	0	1685200	11.61	0.00
Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	4368340	0	4368340	30.10	4368340	0	4368340	30.10	0.00
Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(1)	6053540		6053540	41.71	6053540	0	6053540	41.71	0.00
Foreign									0.00
Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6053540	0	6053540	41.71	6053540	0	6053540	41.71	0.00
Public shareholding									
Institutions									
Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
Non-institutions			0	0.00			0	0.00	0.00
Bodies Corporate	901745	380	902125	6.22	813471	380	381851	5.61	-0.61
Individuals			0	0.00			0	0.00	0.00
Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	4026687	369558	4396245	30.29	3943207	361458	4304665	29.66	-0.63

ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	2126206	40700	2166906	14.93	2339916	40700	2380616	16.40	1.47
Any Other (specify)			0	0.00	0	0	0	0.00	0.00
NRI's	28536	0	28536	0.20	29036	200	29236	0.20	0.00
Clearing House/ Public Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Intermediary/ other depository A/c	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Family	499155	0	499155	3.44	520308	0	520308	3.58	0.14
Clearing Members	57403	0	57403	0.40	1194	0	1194	0.01	-0.39
Sub-Total (B)(2)	7639732	410638	8050370	55.46	7647632	402738	8050370	55.46	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	7639732	410638	8050370	55.46	7647632	402738	8050370	55.46	0.00
TOTAL (A)+(B)	13693272	410638	14103910	97.17	13701172	402738	14103910	97.17	0.00
Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
IEPF	410670	0	410670	2.83	410670	0	410670	2.83	0.00
GRAND TOTAL (A)+(B)+(C)	14103942	410638	14514580	100.00	14111842	402738	14514580	100.00	0.00

Shareholding of Promoters:

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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 encumb ered to total shares	
1	Jasbir Singh Ryait	580550	4.00	0	580550	4.00	0	0.00
2	Surinder Singh Ryait	654430	4.51	0	654430	4.51	0	0.00
3	Ranjodh Singh Ryait	181540	1.25	0	181540	1.25	0	0.00
4	Smt. Amarjit Kaur	123820	0.85	0	123820	0.85	0	0.00
5	Smt. Dalwinder Kaur	144860	1.00	0	144860	1.00	0	0.00
6	G.J. Holdings Private Limited	4368340	30.10	0	4368340	30.10	0	0.00
	Total	6053540	41.71	0	6053540	41.71	0	0.00

Change in Promoters' Shareholding (Specify if there is no change)

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Jasbir Singh Ryait				
	At the beginning of the year	580550	4.00	580550	4.00
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	580550	4.00	580550	4.00
2	Surinder Singh Ryait				
	At the beginning of the year	654430	4.51	654430	4.51
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	654430	4.51	654430	4.51
3	Ranjodh Singh Ryait				
	At the beginning of the year	181540	1.51	181540	1.51
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	181540		181540	1.25
4	Smt. Amarjit Kaur				
	At the beginning of the year	123820	0.85	123820	0.85
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	123820	0.85	123820	0.85
5	Smt. Dalwinder Kaur				
	At the beginning of the year	144860	1.00	144860	1.00
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	144860	1.00	144860	1.00
6	G.J. Holdings Private Limited				
	At the beginning of the year	4368340	30.10	4368340	30.10
	Change in Shareholding during the year	No Change	-	-	-
	At the end of the year	4368340	30.10	4368340	30.10

Shareholding of Directors' and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Jasbir Singh Ryait				
	At the beginning of the year	580550	4.00	580550	4.00
	Changes during the year	No Change	-	-	-
	At the end of the year	580550	4.00	580550	4.00
2	Surinder Singh Ryait				
	At the beginning of the year	654430	4.51	654430	4.51
	Changes during the year	No Change	-	-	-
	At the end of the year	654430	4.51	654430	4.51
3	Smt. Amarjit Kaur				
	At the beginning of the year	123820	0.85	123820	0.85
	Changes during the year	No Change	-	-	-
	At the end of the year	123820	0.85	123820	0.85
4	Smt. Dalwinder Kaur				
	At the beginning of the year	144860	1.00	144860	1.00
	Changes during the year	No Change	-	-	-
	At the end of the year	144860	1.00	144860	1.00
5	Mr. Avinash Sharma				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
6	Mr. Sanjeev Sethi				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
7	Mr. Upkar Singh Ahuja				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
8	Mr. Iqbal Singh				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
9	Mr. Harkirat Singh Ryait				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
10	Mr. Pardeep Sehgal				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
11	Mr. Neeraj Tuli				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00
12	Ms. Amninder Kaur				
	At the beginning of the year	0		0	0.00
	Changes during the year	No Change	-	-	-
	At the end of the year	0		0	0.00

Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
			No of Shares at the Beginning (01-04-18) /end of the Year (31-03-19)	% of total shares of the Company				No of Shares at the Beginning (01/04/18)/end of the Year(31/03/19)	% of total shares of the Company
1	1204720013676780	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	0	0.00					
					31/03/2019	410670			2.83
2	IN30154914209986	F L DADABHOY	162000	1.12					
					31/03/2019			162000	1.12
3	IN30192610707159	Y GOKUL	130254	0.90					
					8/6/2018	30351	Purchase	160605	1.11
			160605	1.11	31/03/2019			160605	1.11
4	IN30352610000029	GRD SECURITIES LIMITED	130000	0.90	06/04/2018	890	Purchase	130890	
					22/02/2019	-890	sale	130000	
					15/03/2019	-130000	Sale	0	
					31/03/2019			0	0.00
5	IN30051314972584	SHAREKHAN LIMITED	148839	1.03	06/04/2018	215	Purchase	149054	
					13/04/2018	-3007	Sale	146047	1.01
					20/04/2018	1006	Purchase	147053	1.01
					27/04/2018	-1658	Sale	145395	1.00
					04/05/2018	-225	Sale	145170	1.00
					11/05/2018	50	Purchase	145220	1.00
					18/05/2018	-10350	Sale	134870	0.93

					25/05/2018	-75	Sale	134795	0.93
					01/06/2018	805	Purchase	135600	0.93
					08/06/2018	765	Purchase	136365	0.94
					15/06/2018	27135	Purchase	163500	1.13
					22/06/2018	12216	Purchase	175716	1.21
					29/06/2018	-31242	Sale	144474	1.00
					06/07/2018	4952	Purchase	149426	1.03
					13/07/2018	-9686	Sale	139740	0.96
					20/07/2018	-2421	Sale	137319	0.95
					27/07/2018	5010	Purchase	142329	0.98
					03/08/2018	3431	Purchase	145760	1.00
					10/08/2018	-20	Sale	145740	1.00
					17/08/2018	-2950	Sale	142790	0.98
					24/08/2018	520	Purchase	143310	0.99
					31/08/2018	25250	Purchase	168560	1.16
					07/09/2018	-18848	Sale	149712	1.03
					14/09/2018	5708	Purchase	155420	1.07
					21/09/2018	500	Purchase	155920	1.07
					24/09/2018	-500	Sale	155420	1.07
					28/09/2018	-10700	Sale	144720	1.00
					05/10/2018	21337	Purchase	166057	1.14
					12/10/2018	-30	Sale	166027	1.14
					19/10/2018	100	Purchase	166127	1.14
					26/10/2018	1310	Purchase	167437	1.15
					02/11/2018	-33148	Sale	134289	0.93
					09/11/2018	2400	Purchase	136689	0.94
					30/11/2018	8000	Purchase	144689	1.00
					07/12/2018	-3800	Sale	140889	0.97
					14/12/2018	100	Purchase	140989	0.97
					21/12/2018	-1000	Sale	139989	0.96
					28/12/2018	500	Purchase	140489	0.97
					31/12/2018	400	Purchase	140889	0.97
					11/01/2019	-900	Sale	139989	0.96
					25/01/2019	-2000	Sale	137989	0.95
					01/02/2019	200	Purchase	138189	0.95
					08/02/2019	220	Purchase	138409	0.95
					15/02/2019	-18	Sale	138391	0.95
					22/02/2019	-127	Sale	138264	0.95
					01/03/2019	-275	Sale	137989	0.95
					15/03/2019	2875	Purchase	140864	0.97
					22/03/2019	-2775	Sale	138089	0.95
							Balance	138089	0.95
6	1201180000014097	MADHAVI BHASKAR	186924	1.29					
							Balance	186924	1.29

7	1205710000000304	RAJESH KUMAR MALPANI	895	0.01	06/04/2018	-890	Sale	5	0.00
					14/09/2018	130890	Purchase	130895	0.90
					22/02/2019	-130000	Sale	895	0.01
					15/03/2019	130000	Purchase	130895	0.90
							Balance	130895	0.90
8	IN30154914209726	R F DADABHOY	129000	0.89					
							Balance	129000	0.89
9	IN30051311205959	ABHIJIT PERIWAL	141752	0.98					
							Balance	141752	0.98
10	IN30154914209734	P F DADABHOY	129000	0.89					
							Balance	129000	0.89
11	IN30133021658894	DIPAK KANAYALAL SHAH	190000	1.31	13/04/2018	10002	Purchase	200002	1.38
					18/05/2018	25998	Purchase	226000	1.56
					25/05/2018	400	Purchase	226400	1.56
					08/06/2018	3000	Purchase	229400	1.58
					15/06/2018	5000	Purchase	234400	1.61
					22/06/2018	1600	Purchase	236000	1.63
					29/06/2018	1000	Purchase	237000	1.63
					06/07/2018	2000	Purchase	239000	1.65
					20/07/2018	275	Purchase	239275	1.65
					10/08/2018	5000	Purchase	244275	1.68
					24/08/2018	3000	Purchase	247275	1.70
					31/08/2018	12000	Purchase	259275	1.79
					21/09/2018	3000	Purchase	262275	1.81
					28/09/2018	200	Purchase	262475	1.81
					05/10/2018	1040	Purchase	263515	1.82
					30/11/2018	10000	Purchase	273515	1.88
					04/01/2019	5000	Purchase	278515	1.92
					18/01/2019	455	Purchase	278970	1.92
					25/01/2019	1030	Purchase	280000	1.93
					08/02/2019	810	Purchase	280810	1.93
					15/02/2019	4000	Purchase	284810	1.96
					01/03/2019	190	Purchase	285000	1.96
							Balance	285000	1.96

INDEBTEDNESS:**Indebtedness of the Company including interest outstanding/ accrued but not due for payment****(Amount in Rs.)**

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	35,21,94,880.70	97,00,000.00	-----	36,18,94,880.70
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)	35,21,94,880.70	97,00,000.00	-----	36,18,94,880.70
Change in Indebtedness during the financial year				
• Addition	8,20,443.60	-----	-----	8,20,443.60
• Reduction	(7,49,36,964.98)	-----	-----	(7,49,36,964.98)
Net Change	(7,41,16,521.38)	-----	-----	(7,41,16,521.38)
Indebtedness at the end of the financial year				
i. Principal Amount	27,80,78,359.32	97,00,000.00	-----	28,77,78,359.32
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)	27,80,78,359.32	97,00,000.00	-----	28,77,78,359.32

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*Remuneration of Managing Director, Whole Time Director and/ or Manager:***(Amount in Rs.)**

Sr. No	Particulars of Remuneration	Name of MD/WTD					Total Amount
		Mr. Jasbir Singh Ryait	Mr. Surinder Singh Ryait	Ms. Dalvinder Kaur Ryait	Ms. Amarjeet Kaur Ryait	Mr. Harkirat Singh Ryait*	
1.	Gross Salary Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961, Value of Perquisites u/s 17(2) of Income Tax Act, 1961, Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	79,53,590/-	4,77,250/-	76,92,600/-	3,82,200/-	3,61,599/-	1,68,67,239/-
2.	Stock Option	0.00	0.00	0.00	0.00	0.00	
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00	
4.	Commission As % of profit Others, specify	0.00	0.00	0.00	0.00	0.00	
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00	
	Total (A)	79,53,590/-	4,77,250/-	76,92,600/-	3,82,200/-	3,61,599/-	Rs.168.67 Lakhs
	Ceiling as per the Act						420.00 Lakhs

* Appointed as Executive Director w.e.f February 14, 2019

Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
	Independent Directors			
	Fee for attending board/ committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total	-	-	-
	Overall Ceiling as per the Act	-	-	-

Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD
(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Chief Financial Officer	Company Secretary	
1.	Gross Salary Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961. Value of Perquisites u/s 17(2) of Income Tax Act, 1961 Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	11,52,737/-	2,79,092/-*	14,31,829/-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission As % of profit Others, specify	- - -	- - -	- - -
5.	Others, please specify	-	-	-
	Total (A)	11,52,737/-	2,79,092/-	14,31,829/-

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	N.A.				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N.A.				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.				
Punishment					
Compounding					

Management Discussion and Analysis:

Overview:

G.S. Auto International Limited (GS) is a north India based auto component manufacturing company, primarily for commercial vehicle industry, catering to all the three verticals of auto component industry in India. GS is one of the trusted brands in the automotive suspension industry supplying to almost all the major Original Equipment Manufacturers and one of the first auto component manufactures, supplying to aftersales market through its pan India network of Distributors/Dealers and retailers.

India began the FY 2018-2019 on a strong note with broad base growth across all the sectors of the economy but started losing pace during the year and closed at an estimate growth rate of 3 % as compared to the growth rate of 3.1% of the previous year, due to rising global volatility, rising crude and commodity prices and rising external trade disputes.

Indian automotive industry comprises of several Indian origin and multinational players with varying degrees of presence in different product segments. Over the years, multinational players have established its presence in Indian market, from engineering centers to local sourcing and a wide spread channel. To remain competitive in a very value conscious market, Original Equipment Manufacturer (OEMs) are focusing on launching new products with attractive features and competitive prices.

The Commercial vehicle segment recorded a strong growth performance across all the categories of the Commercial vehicle Industry. While sales in this segment grew by app.17% in current financial year, the sales of medium and heavy commercial vehicles and light commercial vehicles has increased by 15% & 19% respectively (Source: SIAM)

However, the overall economic growth lost its steam ahead of its general election in the last two quarters of the financial year 2018-19. In the second quarter of FY 2018-19, the Ministry of Road Transport and Highways, notified the increase in the axle loading norms for heavy commercial vehicles. This has resulted in surplus capacity of about 20- 25% with transporters in the short term, leading to many either reducing or postponing their fleet purchase plans. This has a greater impact on the CV industry growth in the second half of financial year 2018-19. Going further into the year, the marked slowdown in demand over the period September - March was principally a result of, muted demand from rural parts, due to poor monsoon, a deficit monsoon and weak agricultural incomes due to poor price realization; tight credit conditions arising from stress in NBFC sector, which has a significant share in wholesale and retail financing. Despite all the above said challenges, the Country remains one of the fastest growing economies in the world supported by stable government & its policies and continued economic reforms.

The overall automotive industry is looking little bit weak going forward, in the short term, due to changing automotive industry in the days to come. Micro factors such as implementation of BS-IV and emerging concepts like light weighting and e-mobility will help to re-energize the Industry. Further, the forthcoming changes in the automotive industry will open a lot of opportunities in the new area. Success of the Industry will depend upon how fast we respond to these changes and consequently adapt these changes.

The table below shows the size of various segments of the Indian auto industry for the period FY17-18 and FY18-19 and the growth rates, spanning Financial Year 2016-17 to Financial Year 2018-19.

Industry Segment	(Domestic Sales)		YOY Growth		
	FY- 2018	FY -2019	FY-2017	FY-2018	FY-2019
Cars	21,73,950	22,18,549	3.90%	3.30%	2.10%
Utility Vehicles	9,21,780	9,41,461	29.90%	21.00%	2.10%
Vans	1,92,235	2,17,426	2.40%	5.80%	13.10%
Total Passenger Vehicles	32,87,965	33,77,436	9.30%	7.90%	02.70%
MHCV	3,40,313	3,90,740	0.10%	12.50%	14.80%
MHCV Passenger	35,649	39,612	7.70%	-24.60%	11.10%
M+LCV Goods	92,232	1,17,051	0.90%	3.20%	26.90%
HCV Goods	2,12,432	2,34,077	-2.40%	28.00%	10.20%
LCV	5,16,135	6,16,579	7.40%	25.40%	19.50%
LCV Passenger	49,002	52,170	3.70%	-3.40%	06.50%
LCV Goods<2T GVW	1,65,479	2,35,024	0.30%	41.60%	42.00%
LCV Goods 2 to 3.5T GVW	2,55,599	2,80,205	13.20%	23.10%	09.60%
LCV Goods > 3.5T GVW	46,055	49,180	5.40%	27.00%	06.80%
Total Commercial Vehicles	8,56,448	10,07,319	4.10%	19.90%	17.60%
3W Passenger	5,17,423	5,72,392	-8.80%	28.70%	10.60%
3W Goods	1,18,275	1,28,619	12.80%	07.80%	08.70%
Total 3 Wheelers	6,35,698	7,01,011	-4.90%	24.20%	10.30%
Scooters	67,19,909	67,01,469	11.40%	19.90%	-00.30%
Motor Cycle	1,26,20,690	1,35,99,678	3.70%	13.80%	07.80%
Mopeds	8,59,518	8,80,243	23.00%	-3.50%	02.40%
Total 2 Wheelers	2,02,00,117	2,11,81,390	6.90%	14.80%	04.90%
Quardricycle	---	627	----	---	---
Total Domestic	2,49,80,228	2,62,67,783	6.80%	14.30%	05.20%
Domestic (Excl.2W)	47,80,111	50,86,393	6.50%	11.90%	06.40%

About The Company:

Your Company is presently manufacturing auto components for commercial vehicles only. We are manufacturing three categories of auto components, namely:-

1. Casting Components
 - a) Ferrous Casting (Spheroidal Graphite Cast Iron)
 - b) Non-Ferrous Casting
2. Machined Auto Components
3. Forged Auto Components

Further, your company is supplying, almost all its products in all the three verticals of automobile industry namely:-

1. Original Equipment Manufacturers (OEM)
- 2 After Sales Market (Replacement Market)
- 3 Exports Market

Company's Financial Performance and Operational Performance:

The Revenue from operations during the year shows a healthy growth 14.72% to **Rs.15391.00 lakhs**, as compared to the previous year of Rs.13416.45 lakhs, keeping in mind the above said growth, the overall performance of the company seems satisfactory.

Financial Information:**Property, Plant, Equipment and Capital work in Progress:**

Particulars	As At March 31, 2019		As At March 31, 2018		(Rs.in lacs) Inc/(Dec)
	Amount	% to Revenue from Operation	Amount	% to Revenue from Operations	%
Gross Block at the beginning of the year	9319.55	60.55	8700.32	64.85	07.11
Additions made during the year (Including exchange differences)	212.57	01.38	862.70	06.43	(75.36)
Deductions during the year	320.01	02.08	243.47	1.81	31.44
Gross Fixed Assets at the Close of the year	9212.11	59.85	9319.55	69.46	(01.15)
Less: Accumulated Depreciation at the beginning of the year	3383.19		3057.36		
Less:- Depreciation and Amortization for the year	428.65		470.54		
Less:-Deductions/Adjustments during the year	108.71		144.71		
Net Block at the Close of the year (a)	5508.98	35.79	5936.36	44.25	(07.20)
Capital Work in Progress (b)	00.00	00.00	3.80	00.03	(100.00)
Total Fixed Assets (Including Capital Work in Progress) (a) + (b)	5508.98	35.79	5940.16	44.28	(07.26)

Company is continuously in the process of adding to its capacities for the long term growth prospectus of the Company. During the year under review the Company has made an investment of **Rs.212.57 lakhs** (Including capitalization of previous years capital work in progress) (previous year Rs.862.70 Lakhs), for the various capacity additions in different products & investments in the Intangible Asset of **Rs. NIL** (previous year Rs. 4.67 Lakhs). The previous year Capital work in progress is on account of Plant & Machinery.

Inventories:

Particulars	As At March 31, 2019		As At March 31, 2018		(Rs.in lacs) Inc/(Dec)
	Amount	%	Amount	%	%
Raw Material and Components as a % of cost of material consumed	204.64	02.43	346.59	05.33	(40.96)
Stores, Spare & Consumables as a % of Consumption	318.88	28.85	395.05	29.88	(19.28)
Finished Goods (including in transit) as a % of Net sales of products	1101.14	07.15	643.22	04.80	71.19

The inventories level of finished goods at the year-end level is on the quite higher side on account of anticipated higher sales in the first quarter on the next financial year of stores & spares & consumables are almost at the same level as compared to previous year. The inventory of Raw material has come down by app.40% as compared to previous year.

Trade Receivables:

Particulars	(Rs.in lacs)				
	As At March 31, 2019		As At March 31, 2018		Inc/(Dec)
	Amount	%	Amount	%	%
As a % of Revenue from operations	2459.31	15.98	2933.51	21.87	(16.16)

The absolute amount of receivable and % of revenue from operations has come down during the year, as compared to previous year, primarily on account of higher revenue from operations, as compared to previous year, coupled with faster recoveries from the customers.

Long Term and Short Term Borrowings:

Particulars	(Rs.in lacs)		
	As At March 31, 2019	As At March 31, 2018	Inc/(Dec)
	Amount	Amount	%
Total Long Term Borrowings (without considering current maturities)	167.16	1011.50	(83.47)
Total Short Term Borrowings	2710.62	2607.44	(03.96)

During the year, the Company has paid almost all of its long term bank borrowings in the shape of term loan from Axis Bank Limited & Export Import Bank of India (EXIM Bank) However, due to repayment of long term bank borrowings along with the past few years losses, their remains liquidity tightness in the Company which is clearly reflected in the short term banking facilities.

Results of Operations:**Income:**

Particulars	(Rs.in lacs)				
	Financial Year -2018-19		Financial Year -2017-18		Inc/(Dec)
	Amount	%	Amount	%	%
Revenue from Operations	15391.00	99.71	13416.45	98.69	14.71
Other Income	44.25	00.29	178.50	01.31	(75.21)
Total Income	15435.25	100.00	13594.95	100.00	

The revenue from operations was higher by 14.71% as compared to previous year mainly on account of better product mix, better capacity utilization along with the benefits of introduction of GST. The decrease in other income as compared to previous year is on account of one time additional income of Rs.120.00 Lakhs, in the previous year, on account of partial withdrawal from key man insurance policy. The overall export sales are decreased by 47.65% as compared to previous year at Rs.315.83 Lakhs.

Expenditure:

(Rs.in lacs)

Particulars	Financial Year -2018-19		Financial Year -2017-18		Inc/(Dec)
	Amount	% to Revenues from operations	Amount	% to Revenues from operations	%
Material Costs	7913.43	51.42	6364.85	47.44	03.98
Employee Benefits Expenses	2728.12	17.73	2779.81	20.72	(02.99)
Finance Costs	466.92	03.03	468.60	03.49	(00.46)
Depreciation & Amortization	428.66	02.79	470.54	03.51	(00.72)
Other Expenses	3986.97	25.89	3619.08	26.97	(01.08)
Total Expenditure	15524.10	100.86	13702.88	102.13	(01.27)
Excise Duty	00.00		321.99		

The total expenditure as a percentage to revenue from operations during the year has marginally decreased by 01.27% as compared to previous year primarily due to increase in the revenue from operations, better capacity utilization, better product mix coupled with the absorption of prices increase with all the customers.

Raw Material Cost

The overall Material Cost during the year has increased by 03.98% as compared to previous year due to steep increase in the prices of raw material. The increase in the prices of raw material is adequately compensated from the respective customers.

Employee Benefits Expenses:

The Employee benefits expenses, during the year are at 17.73 % as comparison to 20.72% of the previous year on account of Revenue from operations, which is quite satisfactory.

Finance Costs:

The overall finance cost during the year ended March 31, 2019 is Rs.466.92 lakhs, as compared to previous year of Rs.468.60 lakhs, which is almost of the same level as compared to previous year, however the overall finance cost will come down in the days to come in the light of reduction in the long term bank facilities. The financial cost for the year ended March 31, 2019 is 3.03%, as a % of the Revenue from operations, as compared to previous year of 03.49%, is quite satisfactory with the possibility of reduction in the days to come.

Depreciation and Amortization:

The Depreciation and Amortization for the year ended March 31, 2019 is at Rs.428.66 lakhs as compared to previous year of Rs.470.54 lakhs. The decrease in the depreciation and amortization is on account of sale of some of its old & not usable plant and equipment.

Other Expenses:

Other expenses of Rs.3986.97 lakhs, in the absolute part are on the higher side, as compared to the previous figures, however there is reduction to the extent of 1% as a % to revenue from operations.

Provision for Taxation:

The provision for taxation & deferred tax for the year ended March 31, 2019 is **Rs. (14.39) lakhs** as compared to previous year of Rs. (56.36) lakhs.

The performance highlights for the year 2018-2019 (in brief) are: -

- The overall revenue from operations of the Company shows a healthy growth of 14.72% mainly due to better products mix, better capacity utilization.
- During the year under review the Company has incurred a net foreign exchange gain on account foreign exchange rate fluctuation of **Rs.18.15 Lakhs**, as against net foreign exchange gains of Rs.16.80 Lakhs, for the previous year. During the year, your Company has not used hedging as tools, for all its normal foreign exchange transactions such as export & long term borrowings respectively.
- The Material Costs during the year constitutes 51.42% to the revenue from operations vis-à-vis to 47.44% as compared to the previous year, mainly due to higher prices of the raw material.
- Finance cost of the Company has marginally declined to **Rs.466.92 lakhs** from the previous year expenses of Rs.468.60 lakhs, mainly due to reduction in the long term liabilities.
- Depreciation and amortization during the year stand at **Rs.428.66 lakhs** as compared to previous year of Rs. 470.54 lakhs.
- Besides the continuous margin pressures coupled with rise in the prices of raw materials during the year ended March 31, 2019, the company has improved its performance of Profit before depreciation, interest and tax (PBDIT) at **Rs.806.72 lakhs**, as compared to the previous year PBDIT of Rs.509.22 lakhs, however we are taking all the necessary steps so to improve the overall margins as well overall performance of the company in the days to come.
- During the year under review the Company has made provision for current taxes (including deferred tax) of **Rs. (14.39) Lakhs**, as compared to previous year provision of Current Tax & deferred taxes expenses of Rs. (56.36) Lakhs).
- The net loss after tax (before other comprehensive income) for the year was at **Rs.74.46 lakhs**, as against the previous year's (Loss) after tax (before other comprehensive income) of Rs.373.57 lakhs.
- Gross Fixed Assets (excluding capital work in progress) during the year under review, is at Rs. 9212.11 Lakhs as compared to previous year of Rs. 9319.55 lakhs.

Performance of Subsidiary:

During the year under review, the Company has no any subsidiary

Opportunities for longer term:

The long term growth forecast for the Indian economy remains healthy. The automotive industry in India is one of the largest in the world and one of the fastest growing globally. India's passenger car and commercial vehicle manufacturing industry is the sixth largest in the world.

There is continuous pressure globally to reduce emissions from automobiles, leading to the need for ongoing investments in technology up gradation and alternate energy across the automotive value chain. Growing environmental consciousness among consumers, government regulations to manage traffic congestion, as well as improvement in public transport infrastructure are trends that will have a significant impact on the future of the automotive industry. For commercial Vehicles, the growth in agriculture and industrial production, the spread of organized retail and the growing prevalence of the hub-and-spoke model for transportation of goods will lead to a significant expansion of the overall market size. In the mid to long term, stricter implementation of norms related to overloading of goods vehicles and road worthiness will also lead to considerable expansion in the market for CVs.

Automotive Industry is the key driver of any growing economy. It plays a pivotal role in country's rapid economic and industrial development. It caters to the requirement of equipment for basic industries like steel, non-ferrous metals, fertilizers, refineries, petrochemicals, shipping, textiles, plastics, glass, rubber, capital equipments, logistics, paper, cement, sugar, etc. It facilitates the improvement in various infrastructure facilities like power, rail and road transport. Due to its deep forward and backward linkages with almost every segment of the economy, the industry has a strong and positive multiplier effect and thus propels progress of a nation. The automotive industry comprises passenger cars; light, medium and heavy commercial vehicles; multi-utility vehicles such as jeeps, scooters, motor-cycles, three wheelers, tractors, etc; and auto components like engine parts, drive and transmission parts, suspension and braking parts, electrical, body and chassis parts; etc.

The Indian automobile industry is currently experiencing an unprecedented boom in demand for all types of vehicles. This boom has been triggered primarily due to increase in disposable incomes and standards of living of middle class Indian families estimated to be as many as four million in number; and the Indian government's liberalization measures such as relaxation of the foreign exchange and equity regulations, reduction of tariffs on imports, and banking liberalization that has fueled financing-driven purchases. As the market grows and customer's purchasing abilities rise, there will be greater demand for higher-end models which currently constitute only a tiny fraction of the market.

The rapidly globalizing world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development. The Indian auto-components industry is set to become the third largest in the world by 2025.

The growth of Indian middle class, with increasing purchasing power, along with strong macro-economic fundamentals has attracted the major auto manufacturers to Indian market. The market linked exchange rate, well established financial market, stable policy governance work and availability of trained manpower have also shifted new capacities and flow of capital to the auto industry of India. All these have not only enhanced competition in auto companies and resulted in multiple choices for Indian consumers at competitive costs, but have also ensured a remarkable improvement in the industry's productivity, which is one of the highest in Indian manufacturing sector. Now the focus of companies across the globe is on strategies to grow and prosper rather than to just survive. The formation of strategic alliances and partnerships is expected to be the most favored mode for consolidation in the global automotive industry. The significant drivers for consolidation in the next few years are likely to be technology acquisition, establishment of a robust global footprint and acquisition of brands that have high recognition and strong relationships with customers.

India being one of the cheapest labour oriented country, as well as, with the growth in the demand of automobile sector in India, all the world class automobile manufacturers are making India as its manufacturing facilities, by setting up their manufacturing units, for all the segments of the automobiles Industry. Above all, the Government of India's major thrust towards building world class infrastructure in the country, by spending/allocating more money for the infrastructure sector and also making India as the hub for Small Car Segment, the automotives segment will see a huge surge in the overall growth rate of this sector. One of the major beneficiaries of the major spending in the infrastructure sector will be the commercial vehicles segment.

Growth Drivers of Auto Component Industry:

- **In Original Equipment Manufacturers:**

Growth in Economic Activity, Increase in the Personal disposable incomes, Growth in Rural Economy, Multiple & easy finance options, Decline in tax rates and Economic vehicles.

- **After Sales Market (Replacement Market)**

Old vehicle population, Life span of components (frequency of replacement), Average value of parts replaced, Share of genuine-branded components in the total aftermarket.

- **Export**

Despite a relatively small share of Asia in the global pie, India is now amongst one of the most preferred destinations and has come to occupy the image of an exporting hub for most of the major global OEM players. Almost all the big auto manufacturers of the world are either already or are in the process of outsourcing from the country.

Industry to take advantage of the transition that is taking place internationally and dominates the global supply chain in auto components due to reasonably priced skilled work force large population of technology workers established strengths in I.T. and electronics transformation of global auto component industry.

The Company:

The Company enjoys an unstinted confidence from its valued customers for providing quality products. With the widely recognized brand “GS”, superior quality, strong distribution network and a committed team of employees, the “GSAIL” is well positioned to take the advantages of the opportunities and withstand market challenges.

The superior quality of product of the Company gives a competitive edge in the market place. The Company is committed to sustain its domestic market share by offering wide range of products at competitive rates.

We operate mainly in three segments i.e. Original Equipment Manufacturers, After Sales Market & Export Market. The Company has balanced approach to the Original Equipment Manufacturers, After Sales Market & Export Market, which helps us in capitalizing to our strength in all the three segments and to respond to market fluctuation and customer strategies.

With the overall growth rate in the Indian economy in the medium to long term and particularly the growth rate in the Indian automotive Industry, there is tremendous growth opportunities for Company like “GS” which has already a strong brand name in after sales market, a good & long standing relationship with all the Original Equipment Manufacturers and above all a dedicate team, however in short term there remains the challenges

Company has expanded its capacities by setting up new unit at Jamshedpur, for its Casting Auto Components for Original Equipment Manufacturers, After Sales Market & Export Market. Your Company is exploring other export market.

Challenges:

- a. Higher cost of inputs such as power, raw materials. Higher import duties on raw materials such as pig iron as compared to in the competing countries.

- b. Lower productivity due to manual operations & low level of mechanization & old equipments.
- c. Non availability of access to modern manufacturing techniques, design & in process quality techniques due to high capital cost & non availability of capital at Competitive cost as available in competing countries.
- d. Poor & erratic power availability & low energy efficiency of SME units.
- e. Lack of foundry specific training facilities & exposure to modern foundry manufacturing techniques & therefore unavailability of skilled manpower, cumbersome environmental clearance Procedures.
(Source: Indian foundry Industry)

Any Increase in Commodity prices & Interest Rates, Infrastructure Bottleneck, Trained drivers for sophisticated vehicles and planned maintenance, Increased competition and expansion in capacity would pressure on margins leading to just a volume driven model, remaining cost competitiveness, access to and availability of cost effective capital, trade policies, access to world class technology and quality practices, scaling up the Industry.

The commercial vehicle market is purely an economic play and has moved cyclically, however India now established itself as a global manufacturing hub for sourcing and now proving a high growth market and also makes it surely a long term story for CV makers.

Threats:

Any delay in the recovery of the world economy adversely affects the commercial vehicle segment, as commercial vehicle segment is a face of revival in the economy. Further any increase in the prices of commodities be it rise in the steel prices, rise in crude prices along with the rise in the interest rate in the domestic market will cause to slow down in the Indian economy as well as in the World economy. Rise in the crude prices coupled with the rise in the interest cost ultimately will affect the demand of commercial vehicles as financing will be not be easy for the purchase of new vehicles. Further, as the entire major auto component manufacturer are now tapping the untapped after sale market, there will increase in the competition which will ultimately reduce the margin in the after sale market in the days to come. However, your Company is well positioned in the after sale market and has a huge network of distributors and retailers along with a reputed brand name "GS", which will counter any increase in the competition in the aftermarket sale segment.

Cyclical nature of the Industry:

Our Company's fortune is linked to those of the automobile industry, which is cyclical in nature. The demand for automobiles has a significant impact on the demand and prices of the products manufactured by the Company. A fall in the demand and/or prices would adversely impact the financial performance of the Company.

Human Resource Development:

To meet the long term growth plans of the Company, a structured organization with succession planning and strategies for development of the technical and managerial skills within the organization are being developed. Yours Company is following the most favorable human resources policy as prevailing in the industry. The Company believes in peaceful and harmonious relationship with the personnel of all the levels to achieve the targeted goal of the Company. Yours Company is firmly believes into involvement of personnel into decision-making process of the Company. The management have decentralized the decision making process so to achieve the self-satisfaction at the decision making level. The Company continues to provide growth opportunities to its employees by way of training workshop and by that way to retain efficient and talented eemployees in the Company.

Human resource is one of the key assets of any organization. The Company believes that human resources enable the Company to consistently meet customer requirements and deliver exceptional performance for growth. To strive for success and growth in any organization, human resource will have to play a key role in the overall development of the organization. We feel that the organization will grow, only & only if, each & every employee of the organization will grow with regards to their personal developments, as well as, at organization level, along with the organization. The Company provides ample opportunity to employees to enhance their knowledge & skill, which will ultimately contribute to the growth of the organization. Your Company considers its human resource as “the most valuable asset”, is thus committed to the welfare of its employees and their families, and by recognizing this devotes a considerable part of its time and resource in motivation, training & development of its employees in various traits, a part from job related skills, over the years, your Company has benefited from a pool of committed and dedicated employees. In an environment of general workforce shortages, retaining and motivating talent has become a key challenge. However, attrition in “GS” has been less as compared to the Industry average, which reflects the loyalty of your Company’s employees. Recruiting & retaining qualified skilled manpower poses to be a great challenge due to rapid growth in the economy. The Company has undertaken special HR initiatives with a view to develop strong and stable organization having intrinsic strength to meet the current business challenges.

The Company organizes celebration of festivals at various locations. Employees’ families participate in large numbers and appreciate the opportunity provided by the Company. In the year under review given the changes in the external environment there was a significantly different challenge on the human resource management front. Using the dual responsibility mythology, scope of existing Employees’ roles is being widened.

- Workmen trainees who have successfully completed their training with us are being absorbed on Company rolls.
- To attract and retain talent, graduate engineer trainees recruited from engineering colleges and also from campuses of premier educational institutions across Punjab, which have completed their training, have been absorbed as Engineers and have also tied up with the colleges from where it is recruiting entry level employees.
- Employee satisfaction survey was carried out and based on the feedback received, corrective actions have been initiated which ultimately effect the morale booster of the employee.
- Communication meeting is being organized every month to appraise all the employees on the major development on various fronts such as market, supply chain as well as feedback cum suggestions etc. and also for any new suggestion as well as new initiatives.
- Near- misses / incidents reporting has been encouraged and investigation for each of these occurrences are carried out to deploy preventive measures. The ratio of near misses to accidents has improved considerably over the last year. Structured problem-solving technique is adopted to investigate accidents. Lessons learnt are shared with all the divisions for implementation.
- Internal and external safety audits and inspections are carried out regularly and the compliance of audit action points is monitored.

People:

As a business enabler, “GS” people practices are geared towards delivering three corporate objectives:

- Identify and induct the most appropriate human talent- based on long term business plans.
- Develop the competencies and skill sets of the entire people force-work force and management alike-and synchronize these with long term business objectives.

- Ensure that existing people within the organization have a clearly defined growth and business delivery path, based on their competencies, delivery potential, previous track record and appetite for growth.

To achieve these three objectives, the Company, during the year has put into place key organizational changes.

Kaizens:

Your Company had done well in kaizens by implementing kaizens, resulting to savings and lot of improvements in 5S, Systems, Process, Safety, Morale, Methods, Productivity, reducing wastages, energy savings etc.

Industrial Relations: The total numbers of permanent employees on the roll of the Company were 867 as on March 31, 2019 (previous year 967). However it is pertinent to mention here that the company had leased out its third unit to one of its group concern on dated 01st December, 2015, hence the figures of the current year are not strictly comparable. Your Company had maintained its excellent industrial relations records of not losing even a single day due to industrial action since its inception, which further shows the relation of the Company with its workmen. This facilitated the following:

- Leadership development programme planned for office bearers at each and every level of the organization and for Executive committee members.

Employee Welfare:

- On April 1st, of every year, Annual day is being celebrated and all the employees and their family members are attending the function. This is an occasion of family get together. Various cultural and religious activities were conducted for employees and their family members.

Health, Safety, Security and Environment:

Health, Safety, Security and Environment is at the core of our business and all employees are accountable for it. "GS" operations follow the best industry practices as regard to Health, Safety, Security and Environment. The Company is committed to achieving these goals through a structured "HSE" management system that has been put in place and is being followed in letter and spirit as well as is rigorously monitored for continuous improvements. "GS" considers it is a responsibility to its stakeholders to clearly stipulate measures and policies that can be proposed to the third parties and are in line with global benchmarks.

The Company follows a policy of zero tolerance towards accidents. The Company provides all facilities for fatigue-free working. We have always focused on safety with a view to maintain an awareness of the importance of safety at work place.

During the year under review, safety audit were carried out by the in house staff members and all observations/ suggestions were implemented. Hazardous waste which generated during the process is being disposed off as part the statutory guideline.

"GS" carried out the following activities as part of its annual plan:

- Basic safety training was imparted to all the factory employees including temporary workers. Safety and technical competency development programmes were carried out to improve competencies of employees for safety critical jobs.
- Work place inspections were carried out by executives and managers at all level. Senior management team members demonstrated leadership commitment through work place inspections.

- Reduced waste generation and improved waste management by collecting and disposing all the waste in an environment friendly manner.
- Tree plantation across premises and factories.
- Reduced level of sound pollution by providing acoustic enclosures on certain set of machinery and DG/compressor sets.
- When risk assessment is carried out, proactive 'accident control measures' are factored into the scope in order to mitigate human accident and damage to property.
- Safety Equipments (e.g. safety helmets safety shoes etc) for "GSAIL" employees and subcontractors have been standardized and are in place.
- Comprehensive training programs were regularly conducted to ensure strict adherences to safety procedures. These are conducted by both in-house trainers as well as by outsiders "HSE" experts.
- Safety handbooks are also given i.e. on the safety oath, emergency preparedness, instruction to fight against fire, emergency phone numbers,
- Reported near miss safety incidents are being investigated and immediate corrective and preventive actions are being initiated.
- Work permit system is followed strictly for hazardous work in nature, both for internal and sub contract works.
- External & Internal periodical safety audit is being carried and the corrective and preventive actions are being initiated on the observations made.
- Periodical general health checkup was carried out for all the employees and particularly, audiometric tests, pulmonary function test, eye checkup were also conducted by the doctors employed by the company.
- Employees working in canteen have been medically examined periodically for the hygiene.

During the year, "GS" had no fatal accidents.

Information Technology:

"GS" has been adapting IT, to play an increasingly strategic role in business role in the business process by providing cutting-edge technologies needed to create values and competitive advantages. These range from advanced sales force automation, engineering design and collaboration tools. IT also helps to ensure the sustainability of its various businesses compliances and enhanced information security systems. The major initiatives can be grouped under the following categories.

- Leveraging Technology: - Major initiatives in this have been launched across the Company, focusing on creating value through business process re-engineering. The objective is to seamlessly synchronize system to best-in-class business process, thereby improving controllership and data quality.
- Consolidation: - As a step forward in consolidating group IT infrastructure, Data center resources of all the entities are being aggregated at one place. Storage Area Network (SAN) has been implemented across group offices to consolidate corporate and project data into a central repository. This will link up with the ongoing knowledge management initiatives. Newer technologies like virtualization for desktops and servers are being piloted to identify efficiencies to move toward a green data centre' environment.
- Disaster Recovery: - the group has a comprehensive disaster recovery plan closely linked with a business continuity plan.

- Security: - Company has upgraded its corporate office network by adopting industry best practices and best of breed technologies. This provides adequate IT controls to reduce current risk of loss of sensitive commercial and technical data through mail and internet by employees.

Corporate Social Responsibility (CSR):

“GS” has always considered itself as a responsible corporate citizen. It cares for the well-being of society. CSR represent an interesting culmination of philanthropy and ethics. “GSAIL” believes that it is not only accountable to its shareholders but it is also accountable to the society in which it operates. With a true corporate vision, the Company embraces a wider community rather than just its shareholders, customers and suppliers.

Corporate social responsibility (CSR) at “GS” is focused on making over business practices more environmentally and socially responsible. This is affected by (i) assessing and mitigating the environmental & social impacts and (ii) Minimizing the environmental impact and carbon footprints of our operations though resource of efficiency & conservation. CSR also includes an active volunteering program aimed at increasing our employee’s environmental and social sensitivities, besides high standards of Corporate Governance, maintaining our reputation for ethical and fair business practice and improving transparency in our interaction with all our stakeholders.

Corporate Social Responsibility (CSR) is not a public relations exercise for us. “GS” denotes CSR as conducting business in ways that provide social, environmental and economic benefits for the communities and geographies where we operate. The greatest value is in making a difference in the lives of people. A beginning has been made, but there still miles to go before the huge disparity is bridged and a better future delivered to every child. The ultimate aim is to put a smile on every face.

The Company has an innate desire and zeal to contribute the welfare and social up liftment of the society. “GS” continues to support the society by way of contributing in the field of education, sports, environment etc. Highlights of performance of “GS” for the welfare of Society are as follows:

- (i)
 - (a) Company contributes to NGO’s to empower children and community for understanding their rights as equal citizens and demand for schools and health centres in their villages.
 - (b) Establish unity by destroying the differences of caste, gender and class.
 - (c) Identify and tackle root causes that continue to keep children uneducated, unprotected and hungry & push for child friendly government policies.
- (ii) Installed Water & Sewage Treatment Plant and Effluent Plant of 100000 ltrs per day and 60000 ltrs per day capacity respectively to provide better and healthy working conditions.
- (v) Company launched its internal environment policy aimed at minimizing its environmental impact and carbon footprints under the “Go Green” initiatives. Company has made contribution from time to time to Divisional Forest Officer, Ludhiana, for participating and taking initiative with the forest Division, in their efforts for plantation in Go Green drive. “GS” continuously contribute in Go Green scheme by planting various plants to keep the environment green & healthy.
- (vi) Company regularly contributes for up-liftment of the various games of the state.
- (vii) During the year under review, the company has taken initiatives for the enhancement of happiness and better health in of its employees. The company organized stress management seminar and free eye checkup camp for “GS” employees and also provides free aids to its employees in the factory premises.

An essential component to your Company’s Corporate Social responsibility is to care for the community. Your Company endeavors to make a positive contribution towards social cause by supporting a wide range of socio-economic and education initiatives and committed to address important societal needs extends through

philanthropic outreach programs under the aegis of “GS Foundation”. Your Company has established a charitable trust, “GS Foundation” as part of its Corporate Social Responsibility. “GS Foundation” has been paying the fees of poor & needy students, of any class & any religion, for the required education of the particular students.

In “GS”, we are enhancing corporate value by deepening awareness that honest action with responsibility leads to sustainable operations fulfilling our responsibilities in a well-balanced way with respect to economic, environmental and social matters and achieving symbiosis with all our stakeholders. “GS” is very responsive towards all stakeholders viz. shareholders, employees, customers, suppliers, society at large etc., and create value for all of them. Further, your Company in a move towards the better working culture & environment always make an atmosphere, for asking suggestions from all the employees regarding suggestions for improving the working atmosphere & working culture and for improvement in the production processes of the Company.

Dividend Policy:

Company’s main emphasis is to work, for & on, behalf of the benefits of all its stakeholders of the Company, Keeping this in view and to creating long term value creation for our Shareholders, Board of Directors of “GS” has formulated a dividend policy to pay dividend to shareholders, every year, at the rate, to be decided by the Board, from time to time, keeping in mind the distributable profits of the Company, during that particular year. However, as all the shareholders of the Company, is well aware, that your Company is in expansion phase and further, is re-investing its profit for the various expansion plans of the Company, for the benefits of all its shareholders, provided that, if in any year, it needs funds to expand its business, then the discretion regarding declaration of dividend for that particular year, will be of the Board of Directors of the Company.

Analysis and Comments on Key Business Risks:

Risk and Concerns:

The Company has developed built-in procedures and a practice to effectively mitigate the adverse effects of the risk involved in the business and has laid down procedures for handling risks in carrying out the business to the best advantage of all the stakeholders and to improve the stakeholder value and ensure continuity of business.

Risk Management:

The Company is committed to high standards of business conduct and the risk management with a view to

- Protect the Company’s Assets
- Achieve sustainable business growth
- Avoid major surprises related to the overall control environment
- Safeguard Shareholder investment; and
- Ensure compliance with applicable legal and regulatory requirements

Further the Company has divided the overall risk into following categories:

i) Risk of concentration in one segment:

The Company right now operates in one sector and the commitment of investments being irreversible process and always has a risk of demand projections not materializing. However, historical perspective has been that the excess capacities get consumed eventually, may be after a lag of couple of years. The commercial vehicle segment is a cyclical sector in India. Accordingly; there is a risk that if the commercial vehicles sector experiences a period of sustained low growth or negative growth, our business is very likely affected.

The diversified customer portfolio of the Company with business share not exceeding 15% from any one customer and with good market share in all the segments i.e Passenger Vehicles, and Commercial vehicles, enhances its ability to face any fluctuations.

The Company's market share is likely to be sustained over the next few years by virtue of the new investments it has made and is planning for the same. The Company's efforts on growing after market as well as exports would reduce the risk of fluctuations in the domestic Original Equipment's Manufactures Market.

ii) Global Competition Risk:

International OEM's seeking to introduce global platforms prefer to source the products for that platform from a global supplier having the ability to supply same product (same specification and quality) at all locations where the platform is planned for manufacturing.

In case of direct imports of products, particularly from China, the Company has built up its capacity to compete at cost level while providing value added services to customer to continue being a preferred supplier.

iii) Procurement and Supply Chain Risks:

During the year, the prices of commodity and base metal remained on the lower side along with the prices of crude. However any increase in the prices of commodity & crude will poses serious risk of profits erosion in case of inadequate compensation from its customers.

However, the Company has addressed this risk by way of an understanding with most customers for adjusting the prices of our products in tandem with the movement of raw material cost. To avail the benefit of economy of scales the Company has opted for centralized sourcing with better vendor management. The movement in the material prices in the domestic as well as international market is closely monitored to ensure procurement at competitive prices.

iv) Exchange Fluctuations Risks:

The company's policy has been to avoid speculation in foreign exchange. The Company is right now, not using the hedging as a tool for booking forward for their regular business requirements. As of date the Company has not hedged its Foreign Currency Term loan exposure and its revenue from exports.

The current forex volatility can impact sales realizations & depreciation of assets, therefore it is critical to continuously review the latest foreign exchange rates while quoting for orders, which the company is already doing. Hence the Company's overall exposure for all its exports and the exposure to the extent of above said Foreign Currency Term loan will continue to bear the risk of exchange rate fluctuations.

v) Commodity Risk:

The Input prices in general are very volatile along with the prices of Crude & power. Any rise in the price of Commodity & Crude, will adversely impact the overall margins of the company. What poses even greater challenges from the risk management perspective is the sharp volatility in prices."GS" addresses it by sharing the prices with its ultimate customers beyond certain rate of increase, along with buying the material in bulk when there is considerable reduction in the prices.

vi) Talent and Attrition Risk:

The Management closely reviews the attrition risk and talent availability risk-in term of head count and competence. Due to the boom in the auto sector the attrition risk is high. The Company being sensitive to this concern has proactively engaged itself in hiring and developing talent with special focus on HR activities for ensuring retention of its people. Availability of knowledgeable work force is also key concern, which has been addressed by wide spread engagement with technical schools for direct recruitment and offering them well define growth paths.

vii) Interest Rate Risk:

Due to pressures in the overall margins of the company from the last two to three years, temporary delay in the collection of receivables and pending value added tax refunds with the state government, there is increase in working capital requirements of the Company. Any increase in the interest rate by the central bank, will increase the interest cost, which will cause further pressure on the margins of the Company.

viii) Risk related to safe operations:

Your company is committed to the safety of its people and continues to strive for making workplaces safe. The complexity and spread of operations make this task even more daunting. There is a dedicated team of safety officers reporting to the head of safety who continuously review the implementation of policies and procedures especially at the site and factories. They also conduct periodic safety audits to measure and improve compliance. Continuous efforts and programmers are on for enhancement of safety awareness at all levels through.

Quality Management System:

From the very beginning “GS” has always shown incessant thirst for Product Quality and Customer Satisfaction. At “GS”, each component passes through series of stringent tests of quality from design stage to manufacturing. Conformance to the quality is just not restricted to the shop floor of the Company but also throughout the supply chain. After having conferred ISO 9002 certification in 1997 and QS 9000 certification in 1999 by BVQI, U.K. the Company had taken leaps by implementation of 5 S, TPM, TQM concepts i.e. Total Productive Maintenance / Total Quality Management and Lean Manufacturing. The Management of “GS” feels that these are essential ingredients of success and sustenance in the present times due to fierce competition offered by Global Companies. The Quality Movement in “GS” has achieved its next milestone – ISO/TS 16949. Your management is working on certain initiatives to encourage Quality circle to promote internal customer concept and also to reduce drastically the PPM levels for all the operations.

Internal Control System:

The Company’s internal audit department is regularly reviewing the adequacy of the internal control systems and suggests corrective measure, wherever found necessary. Review mechanisms are in place to monitor & improve the internal control systems. The internal audit department draws up yearly plans keeping in view the complexities of the businesses. All areas are covered periodically & report submitted to the departmental heads. Corrective actions, if any, are taken within an agreed time frame. The audit committee of the board periodically reviews the report & recommendations and follows up with necessary actions. Statutory auditors also review the adequacy of internal audit system and suggest improvements wherever feel necessary, at regular intervals.

Financials:**Company's abridged Statement of Profit and Loss:****(In Rs. Lakhs)**

Particulars	2018-19	2017-18
Revenue from Operations	15391.00	13416.45
Total Expenditure	14628.52	13085.73
(a) Consumption of Raw Material	7913.43	6364.85
(b) Employee Benefit Expense	2728.12	2779.81
(c) Other Expenditure	3986.97	3619.08
(d) Excise duty on Sales	0.00	321.99
OPBDIT	762.48	330.72
Depreciation & Amortization	428.66	470.54
OPBIT	333.82	(139.82)
Finance Charges	466.92	468.61
OPBT	(133.10)	(608.43)
Other Income	44.25	178.50
PBT	(88.85)	(429.93)
Current Tax	00.00	00.00
Deferred Tax	(14.39)	(56.36)
PAT	(74.46)	(373.57)
Comprehensive Income -Actuarial gain/(loss) on employee defined benefit plan reclassified to other comprehensive income	(5.39)	(7.00)
omprehensive Income for the year	(69.07)	(380.57)
EPS (Rs.) :- – Basic & Diluted(face value of Rs.5/- each)	(00.51)	(02.57)

Note:-Previous year figures have been regrouped / rearranged wherever found necessary.

Indicators of Profitability		
	2018-2019 (%)	2017-2018 (%)
PBDIT/Total Income	05.23	03.75
PBIT/Total Income	02.44	00.28
PBT/Total Income	(00.57)	(03.16)
PAT/Total Income	(00.48)	(02.75)
Return on Capital Employed	(10.31)	(00.94)
Return on Net Worth	(02.28)	(11.21)
EPS (Rs.) :- – Basic & Diluted (face value of Rs.5/- each)	(00.51)	(02.57)

Capital Structure Ratio		
	2018-19	2017-18
Debt Equity Ratio	03.56	03.71

The Company has almost pays off all of its long term bank facilities

Cautionary Statement:

Certain Statements in this Management Discussion and Analysis describing your Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectation of future events. The Company cannot guarantee that those assumptions and expectations are accurate or will realize. Actual results could differ substantially or materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Important developments that could affect your Company's operations include a downtrend in the Automobile Industry- global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest rate and other costs including commodity prices.

**Code of Conduct:
for Directors and Senior Management:**

1. Perform functions of the office with integrity, honesty, fairly, ethically, professionalism, and exercise powers attached thereto in good faith and with due care and diligence, without the influence of personal interest. Act in a manner to enhance and maintain the reputation of the Company.
2. Ensure that the Company's Management works for & in the best interest, fulfill the fiduciary obligations to the Company's shareholders along with the long term value creation, for all the stakeholders of the Company, at large.
3. Comply with the terms of the Code of Conduct for Prohibition of Insider Trading approved by the Board of Directors as well as Companies policy on Disclosure and internal procedures for prevention of insider trading under SEBI Regulations and any other code that may be formulated from time to time, as applicable.
4. Treat employees with dignity, respect and justice, taking into consideration their different cultural sensitivities. Non- discrimination against employees on the grounds of religion, age, nationality, sex or any other personal or social condition, different from the conditions of merit and capacity. Conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position.
5. Ensure that the company's assets, proprietary confidential information and resources are used by the Company and its employees only for legitimate business purposes of the company.
6. Immediately notify the administrative body as to any event or situation which would represent or could give rise to a conflict between the interests of the Company and the individual interests of the director or manager and abstain from intervening in the resolution.
7. The senior management shall have the primary responsibility for the implementation of internal controls to deter and detect fraud. The company shall have zero tolerance for the commission or concealment of fraud or illegal acts.
8. The senior management will ensure that its dealings and relationships with business associates/customers are maintained in the best interest of the company. Its relationship in regard to the company work should be professional and commercially appropriate.
9. Help in creating and maintaining the culture of commitment to compliance with all applicable laws, rules, and regulations, confidentiality obligations and corporate policies of the company. Encourage reporting of a material violation of any laws, rules or regulations applicable to the company or the operation of its business and ensure that the person reporting such violation is not aggrieved in any manner.
10. Promote effective participation by shareholders at General Meetings, especially by facilitating the exercise of information and voting right.
11. Aspire to excellence in the goods and services of the company in such a way that clients and customers obtain the satisfaction expected there from, while striving for their total satisfaction. The quality standards of the company's goods and services shall meet applicable national and international standards.
12. Conduct business in a responsible manner and commit to undertake:
 - (a) Compliance with environmental laws, regulations and standards.
 - (b) To incorporate environment friendly and protective measures as an integral part of the design, production, operation and maintenance of the company's facilities.
 - (c) encourage wise use of energy, and minimize any adverse impact on the environment.

- (d) ensure health and safety measures for all the employees and workmen.
 - (e) not to violate Society privacy and confidentiality policies and not to use confidential or proprietary information for personal financial gain.
13. The senior management shall not, without the prior approval of the Managing Director, accept part time employment or a position of responsibility (such as a consultant or a director) with any organization, for remuneration or otherwise.
 14. Establish processes and systems for storage, retrieval and dissemination of documents both in physical and electronic form, so that the obligations of this code are fulfilled.
 15. Select suppliers only on the basis of the appropriateness of their products or services as well as of their prices, delivery conditions and quality.
 16. The senior management and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favours for the conduct of its business. Maintain elic and respectful relationships with public authorities and institutions, not accepting or offering gifts, commissions in cash or in kind.
 17. Make contribution to political parties or public institutions only in accordance with prevailing legislation and in any case, guaranteeing transparency.
 18. Collaborate with public entities and non- governmental entities and organizations dedicated in improving levels of social attention for disadvantaged persons.

Independent Auditor's Report

To the Members of G.S. Auto International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **G.S. Auto International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit & Loss (including other comprehensive income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including 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 Ind AS financial statements give the information required by the Companies 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 (financial position) of the Company as at March 31, 2019, and loss (financial performance including other comprehensive income), its cash flows and changes in equity 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. We have determined that there are no key audit matters to communicate in our report.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, Including the Indian accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ;and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing 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 are required to 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

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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet , the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended;
- (e) On the basis of written representations received from the directors as on March 31,2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019, 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) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial Statements - **Refer Note 37 to the financial statements.**
 - ii. According to the information and explanations provided to us, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in the transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SUKHMINDER SINGH & CO.
Chartered Accountants
ICAI Firm Registration Number: 016737N

Ludhiana: 30th May, 2019

Sd/-
(Sukhminder Singh)
Partner
Membership Number: 093100

Annexure A referred to the Independent Auditor's Report of even date to the members of "G.S. Auto International Limited", on the Ind AS financial statements for the year ended March 31, 2019.

Re: G.S. Auto International Limited ("the Company")

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of all the immoveable properties (which are included under the head "Property, Plant and Equipment") are held in the name of the Company
- (ii) In our opinion, the management has conducted physically verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured, to any of the companies, firms, limited liability partnerships or other parties covered in the register maintained by the Company under section 189 of the Companies Act, 2013.
- (iv) In our opinion the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans and investments. The Company has not given any guarantees or provided security during the year.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules 2014 (as amended).
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government, for the maintenance of the cost records under section 148(1) of the Companies Act, 2013, related to the maintenance of manufacture of auto components and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth tax, Service tax, sales tax, duty of customs, duty of excise, Value Added Tax, Cess and other statutory dues including GST, as applicable to it. Further, no undisputed amounts payable in respect thereof were outstanding at the year end, for a period of more than six months from the date they became payable.
- b) According to the records of the Company, the dues outstanding of the Income Tax on account of any dispute, are as follows:-

Name of the Statute	Nature of the dues	period to which it relates(AY)	Amount (Rs.in Lacs) *	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Including interest as applicable	2008-09	91.55	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax Including interest as applicable	2009-10	01.63	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax Including interest as applicable	2009-10	34.17	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax Including interest as applicable	2010-11	154.83	ITAT
Income Tax Act, 1961	Income Tax Including interest as applicable	2011-12	16.29	ITAT
Income Tax Act, 1961	Income Tax Including interest as applicable	2012-13	273.11	Commissioner (Appeals)

* Net of amount deposited under protest.

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act 2013, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Companies Act, 2013.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SUKHMINDER SINGH & CO.
Chartered Accountants
ICAI Firm Registration Number: 016737N

Ludhiana: 30th May, 2019

Sd/-
(Sukhminder Singh)
Partner
Membership Number: 093100

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements of G.S. Auto International Limited

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

In conjunction with our audit of the Ind AS financial statements of "G.S. Auto International Limited" ('the Company'), as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 over financial reporting. 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 March 31, 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 SUKHMINDER SINGH & CO.
Chartered Accountants
ICAI Firm Registration Number: 016737N

Ludhiana: 30th May, 2019

Sd/-
(Sukhminder Singh)
Partner
Membership Number: 093100

G.S. Auto International Limited

Balance Sheet as at March 31, 2019:

(Amount in Rs.)

Particulars	Note No.	As At March 31, 2019	As At March 31, 2018
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	4	550444761.80	592994308.61
(b) Capital work in progress	4	0.00	380000.00
(c) Other Intangible Assets	5	453908.00	641673.00
(d) Financial Assets			
(i) Investments	6	0.00	0.00
(ii) Other Financial Assets	6	15687743.00	15011106.10
(e) Deferred tax Assets (Net)	7	60252987.00	58813860.00
(f) Other Non Current Assets	8	36991550.13	35404173.95
Total (A)		663830949.93	703245121.66
2 Current Assets			
(a) Inventories	9	216251942.18	185632486.56
(b) Financial Assets			
(i) Investments	11	0.00	0.00
(ii) Trade Receivables	10	245930771.12	293350886.53
(iii) Cash and Cash Equivalents	11	7744261.84	16362400.30
(iii) Bank Balances other than (ii) above	12	11413312.00	11224596.00
(iv) Other Financial Assets	13	713682.00	639880.44
(c) Other Current Assets	14	15646226.86	24707725.86
Total (B)		498200196.00	531917975.69
Total Assets (A+B)		1162031145.93	1235163097.35
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	72572900.00	72572900.00
(b) Other Equity	16	253671477.69	260578093.48
Total Equity (A)		326244377.69	333150993.48
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	12220352.15	40386573.77
(ii) Other Financial Liabilities	18	5114523.12	7764523.68
(b) Provisions	19	33968570.51	29010651.23
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	271062390.14	260744386.93
(ii) Trade and Other Payable	21	200452707.22	199431126.08
(iii) Other Financial Liabilities	22	230695415.32	306058311.93
(b) Other Current Liabilities	23	81457845.78	55221521.25
(c) Provisions	24	814964.00	3395009.00
Total Liabilities (B)		835786768.24	902012103.87
Total Equity and Liabilities (A+B)		1162031145.93	1235163097.35
Summary of significant accounting policies	3	0.00	0.00

The accompanying Notes are integral part of these Financial Statements

As per our report of even date

For SUKHMINDER SINGH & CO.

ICAI Firm Registration No:016737N

Chartered Accountants

SUKHMINDER SINGH

Partner

Membership No.:093100

Ludhiana: 30th May, 2019

For and on behalf of the Board of Directors

JASBIR SINGH RYAIT

Chairman & Jt. Mg. Director

DIN :00104979

SURINDER SINGH RYAIT

Managing Director

DIN :00692792

HARKIRAT SINGH RYAIT

Executive Director

DIN: 07275740

NEERAJ TULI

Chief Financial Officer

AMNINDER KAUR

Company Secretary

Statement of Profit and Loss for the period ended March 31, 2019:

Particulars	Note No.	Year Ended March 31, 2019 (Rs.)	Year Ended March 31, 2018 (Rs.)
I Revenue from Operations	25	1539100246.67	1341644973.24
II Other Income	26	4424549.37	17850434.60
III Total Income		1543524796.04	1359495407.84
IV EXPENSES			
Cost of Materials Consumed	27	842753384.59	649664745.81
Purchase of Stock-in-Trade		0.00	0.00
Changes in inventories of Finished goods, Stock-in-Trade and Work-in-progress	28	(51410029.13)	(13179523.98)
Excise Duty on Sales		0.00	32199390.00
Employee Benefits Expense	29	272812178.53	277980670.36
Finance Costs	30	46691794.49	46860943.61
Dereciation and Amortization Expense	31	42865539.15	47054028.00
Other Expenses	32	398697129.20	361908111.39
Total Expenses		1552409996.83	1402488365.19
V Profit/(Loss) before tax (III-IV)		(8885200.79)	(42992957.35)
VI Tax Expense :	33		
(i) Current Tax		--	--
(ii) Deferred Tax		1439127.00	5636225.00
Total Tax Expenses		1439127.00	5636225.00
VII Profit/(Loss) for the year (V-VI)		(7446073.79)	(37356732.35)
VIII Other Comprehensive Income			
Acturial gain/(loss) on employee defined benefit plan reclassified to other comprehensive income		539458.00	(700371.00)
IX Total Comprehensive Income for the year (VII+/-VIII)		(6906615.79)	(38057103.35)
X Earning per equity share of the face value of Rs.5/- each	34	(0.51)	(2.57)
Summary of significant accounting policies	3		

The accompanying Notes are integral part of these Financial Statements

As per our report of even date

For SUKHMINDER SINGH & CO.

ICAI Firm Registration No:016737N

Chartered Accountants

SUKHMINDER SINGH

Partner

Membership No.:093100

Ludhiana: 30th May, 2019

For and on behalf of the Board of Directors

JASBIR SINGH RYAIT

Chairman & Jt. Mg. Director

DIN :00104979

SURINDER SINGH RYAIT

Managing Director

DIN :00692792

HARKIRAT SINGH RYAIT

Executive Director

DIN: 07275740

NEERAJ TULI

Chief Financial Officer

AMNINDER KAUR

Company Secretary

CASH FLOW STATEMENT

for the year ended March 31, 2019:

Particulars	Year Ended 31st March, 2019 (Rs.)	Year Ended 31st March, 2018 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(8885200.79)	(42992957.35)
Adjustments for :		
i) Depreciation and amortization	42865539.15	47054028.00
ii) Finance Cost	46691794.49	46860943.61
iii) Interest on Security Deposit	1627592.56	1335296.00
v) Foreign exchange variations	1814599.68	1679968.81
vii) (Profit)/Loss on sale of Property, Plant and Equipment's	6658457.66	(808133.77)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	90772782.75	53129145.30
Adjustment for Changes in working capital:		
i) (Increase)/Decrease in Inventories	(30619455.62)	(27971834.24)
ii) (Increase)/Decrease in Trade Receivables	46510786.41	(23775750.64)
iii) (Increase)/Decrease in Other Financial Assets	(1365352.90)	(660718.54)
iv) (Increase)/Decrease in Other Assets	6494450.58	59170368.86
v) Increase/(Decrease) in Trade payable	1021581.14	31150693.55
vi) Increase/(Decrease) in liabilities	(49126572.08)	65158460.26
vii) Increase/(Decrease) in provisions	2917332.28	4385083.25
CASH GENERATED FROM OPERATIONS	66605552.56	160585447.80
Income tax paid (net of refund)	0.00	0.00
NET CASH FROM OPERATING ACTIVITIES (A)	66605552.56	160585447.80
CASH FLOW FROM INVESTMENT ACTIVITIES:		
i) Purchase of fixed assets (including Capital work in progress and	(20877375.00)	(42874996.87)
ii) Purchase of Intangible Assets	0.00	(466965.00)
iii) Interest from Security Deposit and others	(1627592.56)	(1335296.00)
iv) Proceed from sale of fixed assets	14471290.00	10683607.00
v) (Investment)/Sale in subsidiary	0.00	108750.00
v) (Investment)/Sale in other investments	0.00	1280560.00
NET CASH (USED)/RAISED FROM INVESTING ACTIVITIES (B)	(8033677.56)	(32604340.87)
CASH FLOW FINANCING ACTIVITIES:		
i) Proceeds/(Repayment) from Borrowings	(17848218.41)	(86967128.25)
ii) Proceeds/(Repayment) of trade deposits	(2650000.56)	5499999.84
iii) Finance Cost	(46691794.49)	(46860943.61)
Net Cash (used)/raised from financing activities (C)	(67190013.46)	(128328072.02)
Net Increase/(decrease) in cash & cash equivalents A+B+C)	(8618138.46)	(346965.09)
Cash & Cash Equivalents at the beginning of the year	16362400.30	16709365.39
Cash & Cash Equivalents at the end of the year	7744261.84	16362400.30
	0.00	0.00

As per our report of even date

For SUKHMINDER SINGH & CO.

ICAI Firm Registration No:016737N

Chartered Accountants

For and on behalf of the Board of Directors of

G.S Auto International Limited

JASBIR SINGH RYAIT

Chairman & Jt. Mg. Director

DIN :00104979

SURINDER SINGH RYAIT

Managing

Director

DIN: 00692792

HARKIRAT SINGH RYAIT

Executive Director

DIN: 07275740

NEERAJ TULI

Chief Financial Officer

AMNINDER KAUR

Company Secretary

SUKHMINDER SINGH

Partner

Membership No:093100

Ludhiana; 30th May, 2019

Statement of Changes in Equity for the year ended March 31,2019

Particulars	No. of Shares	Amount (Rs.)
A. EQUITY SHARE CAPITAL		
Balance as at April 1, 2017	1,45,14,580	72572900.00
Changes during the year	--	--
Balance as at March 31 ,2018	1,45,14,580	72572900.00
Changes during the year	--	--
Balance as at March 31 ,2019	1,45,14,580	72572900.00

Particulars	Reserves and Surplus						Total (Rs.)
	Capital Reserve	Securities Premium Account	Capital Revaluation Reserve	Investment Allowance Reserve	General Reserve	Retained Earnings	
B. OTHER EQUITY							
Balance as at April 1, 2017	7214943.00	117590075.00	7545000.00	256315.98	8650000.00	157378862.85	298635196.83
Total Comprehensive income for the year	--	--	--	--	--	(38057103.55)	(38057103.55)
Balance as at March 31, 2018	7214943.00	117590075.00	7545000.00	256315.98	8650000.00	119321759.50	260578093.48
Total Comprehensive income for the year	--	--	--	--	--	(6906615.79)	(6906615.79)
Balance as at March 31, 2019	7214943.00	117590075.00	7545000.00	256315.98	8650000.00	112415143.71	253671477.69

Summary of significant accounting policies 3

The accompanying Notes are integral part of these Financial Statements

As per our report of even date

For SUKHMINDER SINGH & CO.

ICAI Firm Registration No:016737N

Chartered Accountants

SUKHMINDER SINGH

Partner

Membership No.:093100

Ludhiana: 30th May, 2019

For and on behalf of the Board of Directors

JASBIR SINGH RYAIT

Chairman & Jt. Mg. Director

DIN :00104979

SURINDER SINGH RYAIT

Managing Director

DIN :00692792

HARKIRAT SINGH RYAIT

Executive Director

DIN: 07275740

NEERAJ TULI

Chief Financial Officer

AMNINDER KAUR

Company Secretary

Significant Accounting Policies and other Explanatory Information to the Financial Statements for the Financial Year ended March 31, 2019:

1. Corporate Information:

“G.S. Auto International Limited” (“GS” or “the Company”) is a public company domiciled in India and incorporated as “Gurmukh Singh & Sons Auto Parts Private Limited” on 29th June, 1973 under the provisions of the Companies Act, 1956 & later on changed its name to “G.S. Auto International Limited”, having its registered office at G.S. Estate, G.T Road, Dhandari Kalan, Ludhiana-141010. Also the Company has its second manufacturing facility at Jamshedpur location. Its equity shares are listed on “The Bombay Stock Exchange Limited”.

The Company is engaged in the manufacturing of wide range of auto components such as Ferrous & Non Ferrous Casting Components, Machined Components, Forged parts and Assembly of heavy duty trailer axles for Commercial vehicles.

The Company is operating in all the three verticals of auto components industry by supplying its components to Original Equipment Manufacturers, After Sales Market (Replacement Market) & Export Market. The Company’s CIN is L34300PB1973PLC003301.

2. Basis of preparation:

2.1 Statement of Compliance with Ind AS

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

These Financial Statements of the Company as at and for the year ended March 31, 2019 (including comparatives) were approved and authorized for issue by the Board of Directors of the Company on 30th May, 2019.

2.2 Functional and Presentation Currency

The Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values are in rupee value, unless otherwise indicated.

2.3 Basis of Measurement

These Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities have been measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities	Fair Value

3. Significant Accounting Policies

3.1 Property, Plant and Equipment

(a) Tangible Assets

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Any exchange difference arising on translation/ settlement of all foreign monetary items including long term foreign currency monetary items to be recognized as income or expense in profit or loss for the period in which they arise except the scope exclusion provided under IND AS 21 based on the voluntary exemption given in IND AS101. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS-115 "Revenue from Contracts with Customers".

Leasehold land, acquired on thirty years lease basis, from "Adityapur Industrial Development Authority ("AIDA") for setting up of manufacturing unit at Jamshedpur and all the related expenses & incidental to the acquisition of the leasehold land, up to the date of the commencement of the first phase of the Commercial production was capitalized.

Fixed Assets are reviewed for impairment on each Balance Sheet date.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

(iv) Research and Development Cost

Research and Development Costs that are in the nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred.

(v) Depreciation/Amortization

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of buildings, plant and equipment's, furniture and fixtures, office equipment's, Vehicle and other assets. Depreciation is generally recognised in the Statement of Profit and Loss. Amortization on leasehold land is provided over the period of lease.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Company's Plant and Equipments are considered on the basis of continuous process plant.

Depreciation on the additions (disposals) to the particular assets, during the year, is provided on a pro-rata basis, from the date of acquisition/installation/on which the particular asset is put to use (disposed of).

Depreciation on additions on account of increase or decrease in rupee value due to revalorization of foreign currency loans is being provided at rates of depreciation over the remaining useful life of the said assets.

(b) Capital work-in-progress

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress Group to Tangible Fixed Assets Group.

(c) Intangible Assets

(i) Initial Recognition and Classification

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are stated at cost less accumulated amount of amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic of such assets. An asset's useful life is estimated based on an evaluation of the future economic benefits expected of such assets.

Expenditure incurred on acquisition or development of software, video Advertisement, and such other Intangible Assets are recognized as Intangible Assets, if it is expected that such assets will generate sufficient future economic benefits.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the straight line method and is included in depreciation and amortization in Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding four years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

(iv) Derecognition

An item of intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

(d) Impairment of Non-Financial Assets.

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.2 Borrowing cost:

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred and reported in finance costs.

3.3 Operating Cycle

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

3.4 Current versus Non- Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset/ liability are treated as current when it is:-

- * Expected to be realized or intended to be sold or consumed or settled in normal operating cycle
- * Held primarily for the purpose of trading
- * Expected to be realized/ settled 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.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

3.5 Inventories:

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. The Cost of Inventories comprises of all cost of purchases, cost of conversion and other costs including manufacturing overheads incurred in bringing the inventories to their present location and condition.

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

Work-in-Progress is valued at raw material cost-plus conversion cost depending upon the stage of completion. Cost includes direct materials and labour cost and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Finished Goods are valued at raw material cost-plus conversion cost & other overheads incurred in bringing the goods to their present condition & location. Cost is determined on weighted average basis.

Consumable Stores and packing materials are valued at cost plus expenses.

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. Excess / shortages, if any, arising on physical verification are absorbed in the respective consumption accounts.

3.6 Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and other bank balances.

3.7 Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.8 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability is disclosed in the case of:

- * a present obligation arising from past events, when it is not probable that an outflow of resources will be Required to settle the obligation.
- * a present obligation arising from past events, when no reliable estimate is possible

Contingent assets are neither recognized nor disclosed in the Financial Statements.

3.9 Earnings per share:

Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

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

3.10 Foreign Currency Transactions:

Foreign currency transactions and balances

i. Initial recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

In case of advance receipts/payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

- a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
- b) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of (a) above, the Company treats a foreign monetary item as “long-term foreign currency monetary item”, if it has a term of 12 months or more at the date of its origination.

In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

3.11 Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statement at lower of cost of acquisition and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However provision for diminution in value of investments is made to recognize a decline other than temporary in the value of investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.12 Revenue from Contracts with Customers:

Effective 01st April, 2018, the Company has adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative effect method. The standard is applied retrospectively only to Contract that are not completed as at the date of initial application and the comparative information is not restated in the financial results.

As per this new standard, the Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Further, the Company evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue arises from sale of goods and rendering of services.

Sale of products

Most of the Company’s revenue is derived from selling goods with revenue recognized at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts.

As per Ind AS 115, the Company determines whether there is a significant financing component in its contracts. However, the Company has decided to use practical expedient provided in Ind AS 115 and not to adjust the promised amount of consideration for the effects of a significant financing components in the contracts, where the Company expects, at contract inception that the period of completion of contract terms are one year or less. Therefore, for short-term advances, the company does not account for a financing component. No long-term advances from customers are generally received by the Company.

The Company provides retrospective volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. Retrospective volume rebates give rise to variable consideration. To estimate the variable consideration, the Company considers that the most likely amount method better predicts the amount of variable consideration.

Revenue from export sales are recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on the basis of dates of bill of lading.

Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim is fulfilled.

Interest & Other income

Interest income and expenses are reported on an accrual basis using the effective interest method. Other income is recognized on accrual basis except where the receipt of income is uncertain.

Profit / loss on sale of investment

Profit/loss on sale of investment is recognized when all the significant risks and rewards of ownership in investment is transferred.

3.13 Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease transaction. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in Finance Costs in the Statement of Profit and Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset, are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

3.14 Retirement and other employee benefits:

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

Provident Fund:

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Gratuity:

The Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. 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 recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

Short-term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.15 Taxes on Income

Income tax comprises Current and Deferred Tax. It is recognized in the Statement of Profit or Loss except to the extent that it relates to business combination or to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

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 are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are generally recognized in full. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period 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 Balance Sheet date. Tax relating to items recognized directly in equity/ other comprehensive income is recognized in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.16 Hedge Accounting:

The Company till date is not using the booking of forward contract as hedging instrument for covering its risk against currency fluctuations for it's all the import and export business carried on during the year, further the Company has not booked any forward or hedged its foreign currency exposure for the foreign exchange term loan, outstanding as at the balance sheet date, availed for the setting up of new manufacturing unit at Jamshedpur. In terms of risk management strategy, the Company does not use forward cover contracts for trading & speculative purposes.

3.17 Expenses:

Goods received are accounted as purchases on satisfactory completion of inspection. Discount to customers and price escalation to suppliers, if any, to the extent not settled at the Balance Sheet date are accounted on the basis of reasonable estimates made after considering negotiations with vendors/customers. Tools, jigs and fixtures costing less than Rs.5,000/- each, are written off in the year of purchase.

3.18 Equity and Reserves

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

3.19 Significant Judgments, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed

to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Contingencies, Judgments and Assumptions

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events. In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

The assumptions concerning the future and other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are mentioned herein below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company.

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 assets' 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. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Estimation of Defined Benefit Obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active market, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from

observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Estimation of Current Tax and Deferred Tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and Expected Credit Loss (ECL) rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Legal Contingencies

The Company has received various orders and notices from tax authorities in respect of direct taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable losses including the estimate of legal expenses to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the company or the disclosure of any such suit or assertions does not automatically indicate that a provision of a loss may be appropriate.

3.20 Fair Value Measurement

The Company measures financial instruments, such as investments in mutual funds, certain other investments etc. 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 at the measurement date. 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 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.

3.21 Financial Instruments

Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in 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, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(ii) Subsequent Measurement

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

Impairment of Financial Assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortized cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of Financial Assets

A financial asset is derecognized when: the Company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Company transfers substantially all the risks and rewards of ownership of the financial asset, the Company shall derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognize the financial asset.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognized if the Company has

not retained control of the financial assets. Where the Company retains control of the financial assets, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities

Initial Recognition and Subsequent Measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortized value of liability are recorded as finance cost.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value and such value may vary from actual realization on future date.

Offsetting of Financial Instruments

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

3.22 Recent Accounting Pronouncements

Standards issued but not yet effective

On 30th March, 2019, the Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019. These amendments will come into force for financial periods beginning on or after 1st April, 2019.

i. Ind AS 116 – Leases

The Ministry of Corporate Affairs has notified Ind AS 116, 'Leases' applicable w.e.f. 1st April, 2019. This new Ind AS 116 will replace the existing standard, Ind AS 17 Leases, and related interpretations. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. This new standard introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements specified in Ind AS 17. The standard permits two possible methods of transition:

- a. Full Retrospective Method - Apply Ind AS 116 retrospectively to each prior period presented, applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- b. Modified Retrospective Method - Apply Ind AS 116 retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application.

The Company will adopt the standard on and from 1st April, 2019 by using modified retrospective method and will give cumulative effect on transition to equity. The effect on adoption of Ind AS 116 is expected to be insignificant.

ii. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On 30th March, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, 'Uncertainty over Income Tax Treatments' which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments that the companies have used or plan to use in their income tax filing which is to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - a) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and b) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Company will adopt the standard on and from 1st April, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1st April, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

iii. Amendment to Ind AS 12 – Income taxes

On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

iv. Amendment to Ind AS 19 – Employee Benefits

On 30th March, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity, to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Note -4 -PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK IN PROGRESS

Sr. No.	Particulars	Leasehold Land	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Other Assets	Total
1 Deemed Cost of Assets										
	As at April 1, 2017	3742228.03	8686662.75	103964197.19	658925450.82	9133092.51	50990590.05	30969172.51	1761264.19	868172658.05
	Additions	0.00	0.00	65967385.97	18644114.50	180016.00	945220.20	0.00	179737.00	85916473.67
	Disposal/Adjustments	0.00	0.00	0.00	(24346923.23)	0.00	0.00	0.00	0.00	(24346923.23)
	Addition on account of Exchange Differences	0.00	0.00	0.00	(113510.65)	0.00	0.00	0.00	0.00	(113510.65)
	As at March 31, 2018	3742228.03	8686662.75	169931583.16	653109131.44	9313108.51	51935810.25	30969172.51	1941001.19	929628697.84
	Additions	0.00	0.00	1075327.58	17022658.72	294828.48	528754.22	2335806.00	0.00	21257375.00
	Disposal/Adjustments	0.00	0.00	0.00	(28741954.66)	0.00	0.00	(3258718.00)	0.00	(32000672.66)
	Addition on account of Exchange Differences	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	As at March 31, 2019	3742228.03	8686662.75	171006910.74	641389835.50	9607936.99	52464564.47	30046260.51	1941001.19	918885400.18
2 Depreciation/Amortization										
	As at April 1, 2017	557354.00	0.00	22130045.63	228728050.85	7344279.69	24489996.72	19732627.31	1217348.03	304199702.23
	Charge for the year	159244.00	0.00	5436185.00	34232413.00	524538.00	3512236.00	2785594.00	255927.00	46906137.00
	Disposal/Adjustments	0.00	0.00	0.00	(14471450.00)	0.00	0.00	0.00	0.00	(14471450.00)
	As at March 31, 2018	716598.00	0.00	27566230.63	248489013.85	7868817.69	28002232.72	22518221.31	1473275.03	336634389.23
	Charge for the year	159244.00	0.00	4847925.14	30689285.92	456114.22	3508859.15	2790910.04	225435.68	42677774.15
	Disposal/Adjustments	0.00	0.00	0.00	(9993091.00)	0.00	0.00	(877834.00)	0.00	(10870925.00)
	As at March 31, 2019	875842.00	0.00	32414155.77	269185208.77	8324931.91	31511091.87	24431297.35	1698710.71	368441238.38
3 Net Book										
	As at April 1, 2017	3184874.03	8686662.75	81834151.56	430197399.97	1788812.82	26500593.33	11236545.20	543916.16	563972955.82
	As at March 31, 2018	3025630.03	8686662.75	142365352.53	404620117.59	1444290.82	23933577.53	8450951.20	467726.16	592994308.61
	As at March 31, 2019	2866386.03	8686662.75	138592754.97	372204626.73	1283005.08	20953472.60	5614963.16	242290.48	550444761.80
Capital Work in Progress										
	As at April 1, 2017									43307966.15
	As at March 31, 2018									380000.00
	As at March 31, 2019									0.00

Notes :

- Previous period's figures have been regrouped/re-classified wherever required to current year's classification
- All the above said items of Property, Plant & Equipment's are mortgaged and hypothecated with Punjab National Bank, Export Import Bank, Axis Bank Limited against term loan
- Capital work-in-progress mainly comprises of costs incurred on Plant & Equipments amounted to Rs.3.80 Lakhs as on March 31, 2018

Note 5 - OTHER INTANGIBLE ASSETS

Sr. No.	Particulars	Total (Rs.)
1	Deemed Cost of Assets	
	As at April 1, 2017	1859379.00
	Additions	466965.00
	Disposal/Adjustments	0.00
	Addition on account of Exchange Differences	0.00
	As at March 31, 2018	2326344.00
	Additions	0.00
	Disposal/Adjustments	0.00
	Addition on account of Exchange Differences	0.00
	As at March 31, 2019	2326344.00
2	Depreciation/Amortization	
	As at April 1, 2017	1536780.00
	Charge for the year	147891.00
	Disposal/Adjustments	0.00
	As at March 31, 2018	1684671.00
	Charge for the year	187765.00
	Disposal/Adjustments	0.00
	As at March 31, 2019	1872436.00
3	Net Book	
	As at April 1, 2017	322599.00
	As at March 31, 2018	641673.00
	As at March 31, 2019	453908.00

Note-6-OTHER FINANCIAL ASSETS-NON-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
At Amortised Cost		
Security Deposits (Unsecured, Considered good)	15007529.00	14332213.00
Earmarked Balances (on unclaimed dividend accounts)	680214.00	678893.10
Total	15687743.00	15011106.10

Note-7-DEFERRED TAX ASSETS (NET):

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Deferred Tax Liability (Arising on account of temporary differences)		
On Account of timing Difference in:		
Assets: impact of differences between carrying value and tax base of Depreciable assets	49742310.00	50967506.00
Total Deferred Tax Liabilities (A)	49742310.00	50967506.00
Deferred Tax Assets (Arising on account of temporary differences)		
impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	11514018.00	10908250.00
amount allowed for tax credit in next years	98481279.00	98873116.00
Total Deferred Tax Assets (B)	109995297.00	109781366.00
Total (B-A)	60252987.00	58813860.00

Note-8-OTHER NON-CURRENT ASSETS

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Advances other than Capital Advances		
Advance Income Tax for earlier years (Net of provisions for Tax)	36991550.13	35404173.95
Total	36991550.13	35404173.95

Note-9-INVENTORIES

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
As taken, valued & certified by the Management		
At lower of Cost and Net Realizable Value		
(i) Raw Material & Components	20464029.80	34659168.46
(ii) Work -in-Progress (includes lying with third parties)	53785798.00	47147090.60
(iii) Finished Goods	109092851.29	64321529.56
(iv) Goods in Transit	1021268.74	0.00
(v) Stores, Spares & Consumables	31887994.35	39504697.94
Total	216251942.18	185632486.56

Notes: Inventories are hypothecated to secure working capital facilities from Punjab National Bank & term loan facilities from Export Import Bank of India & Axis Bank Limited

Note-10-TRADE RECEIVABLES-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Trade receivables		
(i) Trade Receivables considered good-Secured	0.00	0.00
(ii) Trade Receivables Considered good-Unsecured	245930771.12	293350886.53
(iii) Trade Receivables which have significant increase in Credit Risk	0.00	0.00
(iv) Trade Receivables-Credit Impaired	0.00	0.00
Total	245930771.12	293350886.53
Less: allowance for expected credit losses on (iv) above	0.00	0.00
	245930771.12	293350886.53

Movement in allowance for expected credit losses

Balance at the beginning of the year	0.00	0.00
Allowance for expected credit losses during the year	0.00	0.00
Amount written back during the year	0.00	0.00
Amounts of the Trade Receivables written off during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Notes:

10.1 Trade Receivables are hypothecated to secure working capital facilities from Punjab National Bank and term loan facilities from Export Import Bank of India & Axis Bank Limited.

10.2 No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person

10.3 Trade receivables are non-interest bearing are generally on credit terms of 45 to 100 days

10.4 No trade or other receivables are due from firms or private companies in which director is a partner, director or a member

10.5 The opening balance as at April 01, 2017 of trade receivables as required under Ind AS 115 is as under:

Particulars	As At April 01, 2017 (Rs.)
i) Trade Receivables considered good-Secured	0.00
(ii) Trade Receivables Considered good-Unsecured	271255104.70
(iii) Trade Receivables which have significant increase in Credit Risk	0.00
(iv) Trade Receivables-Credit Impaired	0.00
Total	271255104.70
Less: allowance for expected credit losses on (iv) above	0.00
Total	271255104.70

The opening and closing balances as March 31,,2018 and March 31,2019 are already given above

Note-11-CASH AND CASH EQUIVALENTS

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Balances with Banks-Current accounts	2540448.48	15186482.06
Cash on hand including imprest	5203813.36	1175918.24
Total	7744261.84	16362400.30

Note-12-OTHER BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Bank FD's with original maturity of more than 3 months but less than 12 months	11913312.00	11224596.00
Total	11913312.00	11224596.00

Note-13-OTHER FINANCIAL ASSETS-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
At amortized cost (Unsecured, Considered good)		
Interest receivables	713682.00	639880.44
Total	713682.00	639880.44

Note-14-OTHER CURRENT ASSETS

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Advances other than Capital Advances (Unsecured, Considered good)		
Export incentives receivables	2580383.00	2438440.00
Insurance Claim receivable	3870.00	3870.00
Other Advances recoverable in cash or in kind	13061973.86	22265415.86
Total	15646226.86	24707725.86

Note-15-EQUITY SHARE CAPITAL

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Authorized Shares Capital		
2,60,00,000 Equity Shares of Rs.5/- each	130000000.00	130000000.00
(2,60,00,000 Equity Shares of Rs.5/- each as at March 31, 2018)		
Total	130000000.00	130000000.00
Issued, Subscribed and fully paid up Capital		
1,45,14,580 Equity Shares of Rs.5/ each fully paid up	72572900.00	72572900.00
(1,45,14,580 Equity Shares of Rs.5/ each fully paid up as at March 31,2018)		
Total	72572900.00	72572900.00

15.1 The Reconciliation of the number of Equity Shares outstanding and amount of share capital is set out below:

	(Rs.in Lakhs)			
	As At March 31, 2019		As At March 31, 2018	
	Number of Shares	Rs.	Number of Shares	Rs.
Shares Outstanding at the beginning of the year	1,45,14,580	725.73	1,45,14,580	725.73
Add: Shares Issued during the year	----	----	----	----
Shares Outstanding at the end of the year	1,45,14,580	725.73	1,45,14,580	725.73

15.2 Terms/rights attached to Equity Share:

The Company has only one class of issued Equity Shares having a par value of Rs.5/- per share. Each Shareholder of Equity Shares is entitled to one vote per share and each equity share carries an equal right of dividend. The dividend (if any) proposed by the Board of Directors and approved by the shareholders in the Annual General Meeting, except in case of Interim Dividend, is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates.

15.4 Aggregate number of bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus share issued and shares bought back during the period of five years immediately preceding reporting date, however the company had allotted, 25,14,580 equity shares of Rs.5/- each, to the shareholders of M/s G. S Automotives Private Limited under the Scheme of Amalgamation, for Consideration other than cash, in year ended 31st March, 2013.

15.5 Details of Shareholders holding more than 5% of the aggregate shares are set out below:

Name of Shareholder	As At March 31, 2019		As At March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1.G.J.Holdings Private Limited	43,68,340	30.10	43,68,340	30.10

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders/members.

15.6 Other Information:

(1) (a) The Company had reissued 24,300 forfeited Equity Shares, of the face value of Rs.10/- each, at a premium of Rs.80.25 per equity share, on dated 23rd May, 2008, on preferential basis, for raising long term funds to part finance the setting up of new manufacturing unit, for the manufacture of auto component at Jamshedpur. The funds raised have been utilized towards the object of the issue. The profit arising on re-issue of forfeited Equity Shares had transferred to securities premium account.

The Company had issued 46,00,000 (forty Six Lacs) Equity Shares, of the face value of Rs.5/- (Rs.five) each, at a premium of Rs.5/-(Rs.Five) per equity share, on dated 01st July,2009, consequent to the conversion of 23,00,000 (Twenty three lacs) warrants into Equity shares, warrant earlier issued/allotted on dated 07th January,2008 of the face value of Rs.20/-(Twenty) per warrant, (to be converted into equivalent number of Equity Shares of the face value of Rs.10/- (Ten) each, at a premium of Rs.10/-(Ten) per Equity Share) to the promoters & others, on preferential basis, pursuant to the provisions of section 81(1A) and other applicable provisions of the Companies Act, 1956, for raising long term funds for the setting up of new manufacturing unit, for the manufacture of auto component at Jamshedpur. The funds raised have been utilized towards the object of the issue.

(b) During the year ended March 31, 2012, the Company had issued 40,00,000 (forty lacs) Equity Shares of Rs.5/- (Rs.five) each at a premium of Rs.22.41 per equity shares, on dated 02nd August, 2011, pursuant to the conversion of 40,00,000 (forty lacs) warrant allotted @ Rs.27.41 per warrant, to the promoter and others, on preferential basis, pursuant to the provisions of section 81(1A) and other applicable provisions of the Companies Act, 1956, for raising long term funds for the setting up of new manufacturing unit, for the manufacture of auto component at Jamshedpur. The funds raised have been utilized towards the object of the issue.

- (2) The Company had sub-divided its Equity Share from the face value of Rs.10/- each, to the face value of Rs.5/- each, w.e.f. 27th August, 2008.
- (3) 25,14,580 equity shares of company of Rs.5/- each fully paid up, are allotted to the equity shareholders of M/s. G S Automotives Private Limited on dated 01st May, 2014, consequent to the amalgamation of M/s. G.S.Automotives Private Limited, with the Company.

Note-16-OTHER EQUITY

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
1. Other Reserves		
(i) Securities Premium	117590075.00	117590075.00
(ii) Capital Reserve	7214943.00	7214943.00
(iii) Investment Allowance Reserve	256315.98	256315.98
(iv) Capital Revaluation Reserve	7545000.00	7545000.00
(v) General Reserve	8650000.00	8650000.00
2. Retained Earnings		
Balance as per last financial year	119321759.50	157378862.85
Total Comprehensive Income for the year	(6906615.79)	(38057103.35)
Total	253671477.69	260578093.48

Nature and purpose of Other Reserves

i) Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act.

ii) Capital Reserve

Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilized in accordance with the specific provisions of the Companies Act 2013.

iii) Investment Revaluation Reserve

Reserve is primarily created on account of Income Tax Act. This reserve is utilized in accordance with the specific provisions of the Companies Act.

iv) Capital Revaluation Reserve

Reserve is primarily created on revaluation of its assets. This reserve is utilized in accordance with the specific provisions of the Companies Act 2013.

v) General Reserve

General Reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

Note-17-BORROWINGS-NON CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Non-Current Borrowings		
Term Loans (Secured)		
From Banks:		
Indian rupee loans from banks	28600.00	14412768.00
From Financial Institutions:		
foreign currency loan from financial institution	3241480.00	75385431.88
Deferred Payment Liabilities (Secured)		
Indian rupee vehicle loans from banks (secured)	3745889.18	1652293.89
Due to Others-Unsecured Loan	9700000.00	9700000.00
Total	16715969.18	101150493.77
Less:- Current maturities (amount disclosed under the head "other liabilities")	4495617.03	60763920.00
	4495617.03	60763920.00
Total	12220352.15	40386573.77

- a. Secured term loan from banks represent term loan from Axis Bank limited for the setting up of Jamshedpur plant. The original loan is Repayable in 23 quarterly installments from the date of first disbursement, first installment to commence from 19 months after first disbursement but not later than September, 2013.
- b. Foreign currency term loan from financial institution (Secured) is from Export Import Bank of India, for the setting up of Jamshedpur plant. The loan is repayable in twenty equally quarterly installments, commencing September, 2013 i.e the date of first disbursement.
- c. The above said both term loans covered under point no. (a) & (b) are secured by (i) first pari-passu charge by way of Hypothecation on entire block assets of the Company by way of hypothecation of machinery and equipment's, other fixed assets, machinery spares, tools and accessories and other movables, both present & future, whether installed or to be installed, stored or to be stored in or about all the factories, godowns and premises situated at G.S.Estate, G T Road, Dhandari Kalan, Ludhiana (Punjab) & at M-09, Large Sector, Tata Kundra Main Road, Industrial Area, Adityapur, Jamshedpur (Jharkhand) and (ii) first pari-passu Equitable Mortgage by way of deposit of title deeds of immoveable properties of the Company admeasuring 75110 sq.yards situated at G.S. Estate, G.T.Road, Dhandari Kalan, Ludhiana (Punjab) & first pari- passu Equitable Mortgage of the leasehold rights of the Company's 3 (three) acre Land situated at M-09, Large Sector, Tata Kundra Main Road, Industrial Area, Adityapur, Jamshedpur (Jharkhand), together with all buildings and structures thereon and all Plant & Machineries attached to the earth or permanently fastened to anything attached to the earth (iii) first pari-passu charge on the Company's entire Current Assets (both present & future) (both Jamshedpur & Ludhiana unit of the Company), such as Hypothecation of Raw Material, Stock in Process, Finished Goods, Consumable Stores/Spares required for manufacturing and lying in the unit(s) or elsewhere & Hypothecation of Book Debts arising out of genuine sales transaction of business not older than ninety days and further guaranteed by all the promoters directors of the Company.

Note-18-OTHER FINANCIAL LIABILITIES-NON CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Trade deposits	5114523.12	7764523.68
Total	5114523.12	7764523.68

Note-19-PROVISIONS-NON-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Provision for long term employee benefits	33968570.51	29010651.23
Total	33968570.51	29010651.23

Note-20-BORROWINGS-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Loans Repayable on Demand (Secured)-from Punjab National Bank		
Cash Credit (secured)	270241946.54	260744386.93
	270241946.54	260744386.93
Deferred Payment Liabilities (Secured):		
Indian rupee vehicle loans from banks	820443.60	0.00
	820443.60	0.00
Total	271062390.14	260744386.93

- 20.1 Cash credit from bank is secured against hypothecation of stocks of semi-finished and finished goods, raw materials, work-in-progress, consumable stores and spares, book debts etc. of the company along with hypothecation of the leasehold rights of the Company land at Jamshedpur & immoveable property at G S Estate, G T Road, Ludhiana on pari-passu basis. Cash credit is repayable on demand.

Note-21-TRADE PAYABLE-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Total outstanding dues of micro, small and medium enterprises	5398323.19	10838946.68
Total outstanding dues of creditors other than micro, small and medium enterprises	195054384.03	188592179.40
Total	200452707.22	199431126.08

Note-22-OTHER FINANCIAL LIABILITIES-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Unclaimed dividend	680214.00	678893.00
Current liabilities of long-term borrowings	4495617.03	60763920.00
Other liabilities	225519584.29	244615498.93
Total	230695415.32	306058311.93

Note-23-OTHER CURRENT LIABILITIES

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Contract Liability-Advance received from Customers*	15961943.12	11953864.22
Employee contributions & recoveries payable	12820472.00	379650.00
Statutory dues payable including tax deducted at source	52675430.66	42888007.03
Total	81457845.78	55221521.25

*** Contract Liability-Advance received from Customers**

Opening Balance on Contract Liability	11953864.22	14709778.44
Add: Addition of Contract Liability-Advance received from Customers	8841590.00	4538600.00
Less: Revenue recognized during the reporting period	4833511.10	7294514.22
Closing Balance of Contract Liability	15961943.12	11953864.22

Note-24-PROVISIONS-CURRENT

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Short term employee benefits	814964.00	3395009.00
Total	814964.00	3395009.00

Note-25-REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Revenue from operations:		
a. Revenue from Contracts with Customers		
(i) Sale of Products	1537963490.67	1340192073.24
(i) Sale of Services	0.00	0.00
	1537963490.67	1340192073.24
b. Other Operating Revenues		
Export incentives	1136756.00	1452900.00
	1136756.00	1452900.00
Total	1539100246.67	1341644973.24

Notes:

25.1 Sale of products, includes excise duty collected from customers of Rs.321.99 Lakhs for previous year; sale of Products, net of excise duty is Rs.13079.93 Lakhs for the previous year

25.2 Disaggregation of Revenue

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue And cash flows affected by economic data

Particulars	Year ended March 31, 2019 (Rs.)
Product Type	
Goods	1537963490.67
Services	0.00
Total	1537963490.67
Contract Counterparties	
Dealers	1537963490.67
Direct to Consumers	0.00
Total	1537963490.67
Timing of Transfer of Goods and Services	
Point in Time	1537963490.67
Total	1537963490.67

- 25.3** There is no any impairment loss to be recognized on receivables arising from the Company's contracts with customers.
- 25.4** The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 10 and 23 respectively. Revenue recognized from opening balance of contract liability is disclosed in Note No. 23.1.
- 25.5** No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.
- 25.6** The impact of application of Ind AS 115 "Revenue from Contracts with Customers" on the financial statements of the Company for the reporting period is insignificant.

Note-26-OTHER INCOME

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Interest Income from Financial Assets at Amortized Cost		
Interest income- Bank deposits & others	1627592.56	1335296.00
Rental income	128996.00	234996.00
Foreign exchange gain (net)	1814599.68	1679968.81
Short Term Capital Gain on sale of Mutual Fund Units		0.00
Profit on sale of Property, Plant and Equipment's	0.00	936331.77
Miscellaneous income	853361.13	13663842.02
Total	4424549.37	17850434.60

Note-27-COST OF MATERIAL AND COPONENTS CONSUMED

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Inventory at the beginning of the year	34659168.46	27891677.96
Add: Purchases (Net)		
Raw materials	573630266.96	418614744.58
Semi-finished goods	254927978.97	237817491.73
	828558245.93	656432236.31
Less: Inventory at the end of the year		
Raw Materials	20464029.80	34659168.46
Total	842753384.59	649664745.81

Note-27.1-IMPORTED AND INDIGENOUS RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Imported	0.00	0.00
	0.00%	0.00%
Indigenous	842753384.59	649664745.81
	100.00%	100.00%
Total	842753384.59	649664745.81

**Note-28-CHANGE IN INVENTORIES OF FINISHED GOODS, WORK,
IN-PROGRESS AND STOCK IN TRADE**

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Change in Stock		
Inventories at the end of the year		
Work-in-Progress	53785798.00	47147090.60
Finished Goods	109092851.29	64321529.56
	162878649.29	111468620.16
Less: Inventories at the beginning of the year		
Work-in-Progress	47147090.60	40104482.95
Finished Goods	64321529.56	58184613.23
	111468620.16	98289096.18
Total	(51410029.13)	(13179523.98)

Note-29-EMPLOYEE BENEFITS EXPENSE:

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
(a) Salaries, Wages and Bonus (Including managing & whole time director's remuneration)	247965141.97	241483904.42
(b) Contribution to provident & other funds	20556563.95	31309150.59
(c) Staff welfare expenses	4290472.61	5187615.35
Total	272812178.53	277980670.36

Note-30-FINANCE COST

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Interest on working capital facilities	29736592.00	28303093.93
Interest on long term borrowings	4380685.60	7772863.20
Other borrowings costs	12574516.89	10784986.48
Total	46691794.49	46860943.61

Note-31-DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Depreciation of Property, Plant and Equipment's	42677774.15	46906137.00
Amortization of other intangible assets	187765.00	147891.00
Total	42865539.15	47054028.00

Note-32-OTHER EXPENSES

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Consumption of stores and spare parts	110525320.61	82379569.25
Power & fuel	95141907.40	96597042.18
Oil & lubricants	16704841.90	13391279.66
Packing material	40905257.03	36432051.69
Research & development expenses	2566749.32	2156432.67
Repair & maintenance-buildings	2101872.10	1622150.66
Repair & maintenance-plant & machinery	14873749.90	14833466.68
Insurance	2121936.55	2114459.22
Rates & taxes	2307374.22	1865853.90
Freight & forwarding charges	35286533.65	37155538.99
Shipping charges	2008170.36	2881654.22
Advertisement	222804.00	172520.00
Commission to agents	653005.00	1346711.18
Travelling & conveyance	22010398.69	21705465.25
Printing & stationary	955489.81	1071155.76
Vehicle expenses	1335997.98	1432170.65
Subscription & membership fees	260629.86	511494.00
Donation	19000.00	46794.00
Postage & telephone expenses	1247058.59	1850594.79
Legal & professional charges	10347468.00	5573573.00
Seminar & training expenses	113436.00	915437.00
Payment to auditors for:		
Audit and limited review fee	100000.00	85000.00
General expenses	3901126.51	6718606.24
Repair & maintenance-electricity and general	5258912.82	4642445.28
Recruitment expenses	87014.00	37404.00
Samples	90942.74	4412.00
Sales promotion & entertainment expenses	888057.50	885736.00
Loss of excise duty on goods return	0.00	52501.00
Sales tax adjustment	533433.00	(1396047.00)

Discounts & rebates	19470184.00	24694441.12
Loss on sale of fixed assets	6658457.66	128198.00
Total	398697129.20	361908111.39

Note-33-TAX EXPENSES

Particulars	Year ended March 31, 2019 (Rs.)	Year ended March 31, 2018 (Rs.)
Current Tax	0.00	0.00
Deferred Tax	1439127.00	5636225.00
Total	1439127.00	5636225.00

The Major Components of Income tax expenses for the year ended are

Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Current Income Tax Charge		
Current Income Tax	---	---
Deferred Tax		
Relating to origination and reversal of temporary differences	(14.39)	(56.36)

Reconciliation of tax expenses and accounting profit multiplied by India's domestic rate for March 31, 2019 and March 31, 2018

(Rs. in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Accounting profit/(Loss) before tax (before exception items)	(88.85)	(429.93)
At India's Statutory Income tax rate of 26.00% (March 31, 2018:30.90%)	----	----
Effective tax	----	----
Income tax expenses reported in the Statement of profit and loss	----	----

Deferred Tax

Statement of profit and loss

(Rs. in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Deferred tax relating to the following		
Fixed Assets: impact of difference between tax depreciation and depreciation		
Charged for financial reporting	(12.26)	(0.67)
Employee benefit obligations	(06.43)	(03.13)
Items allowed on payment basis/temporary disallowance	03.51	(18.58)
Others	00.79	(33.98)
Deferred tax expenses/(income) in the statement of profit and loss	(14.39)	(56.36)

Balance Sheet**(Rs. in Lakhs)**

Particulars	March 31, 2019	March 31, 2018
Deferred tax relating to the following		
Fixed Assets: impact of difference between tax depreciation and depreciation		
Charged for financial reporting	497.42	509.68
Employee benefit obligations	(93.98)	(87.55)
Items allowed on payment basis/temporary disallowance	(21.16)	(24.66)
Others	(984.81)	(985.60)
Net Deferred Tax Assets	(602.53)	(588.13)

Note-34--GRATUITY-DEFINED BENEFIT PLANS

As per Ind AS 19 “Employee Benefits”, the disclosures of employee benefits as defined in the Indian Accounting Standard are :- **Defined Contribution Plan:** The Company’s Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognized as expenses for the year. **Defined Benefit Plan:** The Company operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. 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 fund is subject to risk such as asset volatility, changes in assets yields, and assets liability mismatch risk, risk due to adverse salary growth/variability in morality and withdrawals rate, risk due to significant changes in discounting rate during the inter valuation period, risk on account of employees resignations/retirement from the company, resulting into strain on the cash flow, risk related to changes and fluctuations in the financial markets and assumptions depend on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yield as at valuation date, risk in the increase in the plan liabilities or reduction in plan assets due to changes in legislation or due to overall tight liquidity position of the company. The obligation for leave encashment is recognized as expense for the year. **Gratuity:** The benefits are governed by the Payment of Gratuity Act, 1972. The key features are:-

Benefits offered	$(15 / 26) \times (\text{Salary}) \times (\text{Duration of Service in years})$
Salary definition	last drawn qualifying Salary
Benefit ceiling	Rs. Twenty Lakh
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon death or disability or retirement
Retirement age	60 years

The leave encashment benefits are governed by the Company’s leave policy.

		As At March 31, 2019 (Rs. in lacs)		As At March 31, 2018 (Rs.in lacs)	
		Gratuity (Funded)	Leave Encas- hment (Unfu- nded)	Gratuity (Funded)	Leave Encas- hment (Unfu- nded)
(i)	Amount to be recognized in Balance Sheet				
	a. Present value of Defined Benefits Obligations				
	(i) Funded	252.25	----	232.16	----
	(ii) Unfunded	-----	98.09	-----	111.56
	b. Fair value of Plan Assets	02.50		13.76	
	c. Net liability/(Assets) recognized in the Balance Sheet	249.75	98.09	218.41	111.56
(ii)	Amount to be recognized in the Statement of Profit & Loss				
	a. Current service Cost	41.99	29.84	40.63	32.09
	b. Net Interest Cost/(Income)	16.00	06.62	11.89	06.25
	c. Past Service Cost	00.00	----	13.04	----
	d. Net Actuarial (Gain)/Loss recognized in the year	----	01.22	----	8.64
	e. Defined benefit cost recognized in the statement of profit and loss	57.99	37.68	65.56	46.98

(iii)	Change in Defined Benefits Obligations and reconciliation thereof				
	a. Present value of Defined Obligations at the beginning of the year	232.16	111.56	244.71	102.16
	b. Interest Cost	16.61	06.62	15.09	06.25
	c. Past Service Cost	00.00	----	13.04	----
	c. Current Service Cost	41.99	29.84	40.63	32.09
	d. Benefits paid	(32.80)	(51.15)	(86.96)	(37.58)
	e. Remeasurement (gain)/Loss	(48.49)	----	(00.05)	----
	f. difference in present value of obligation	42.78	----	5.70	----
	e. Actuarial (Gain)/Loss	----	01.22	----	8.64
	f. Present value of Defined Obligations at the close of the year	252.25	98.09	232.16	111.56
(iv)	Change in the fair value of Plan Assets and the reconciliation thereof				
	a. Fair value of Plan Assets at the beginning of the year	13.76	-----	73.66	-----
	b. Expected return on Plan Assets	00.61	-----	03.21	-----
	c. Contribution by Employer	21.25	-----	25.20	-----
	d. Benefits paid	(32.80)	-----	(86.96)	-----
	e Remeasurement Gain/(Loss	(00.32)	----	(01.35)	----
	f. Fair value of Plan Assets at the close of year	02.50	-----	13.76	-----

REMEASUREMENTS-OTHER COMPREHENSIVE INCOME (OCI)
(Rs. in Lakhs)

	As At March 31, 2019	As At March 31, 2018
Return on plan Assets (excluding amounts included in Net Interest Expense)	(00.32)	(1.35)
Actuarial (Gain)/Loss arising from		
Experience Adjustment	(48.49)	(0.05)
Present Value of Obligations	42.78	5.70
Component of Defined of Benefit Costs recognized in OCI	(05.39)	7.00

Summary of Actuarial assumptions				
a. Discount Rate (per annum)	07.70	07.70	07.50	07.50
b. Expected rate of return on Plan Assets (p.a)	07.70	N.A	07.50	N.A
c. Rate of escalation in salary (per annum)	08.50	08.50	05.00	05.00
d. Attrition Rate	10.00	10.00	10.00	10.00
e. Mortality table	Lives Mortality IAL 2012- 14 Ultimate		Lives Mortality IAL 2006- 08 Ultimate	

Sensitivity analysis

The Sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumptions	March 31, 2019		March 31, 2018	
	Impact of 1% increase	Impact of 1% decrease	Impact of 1% increase	Impact of 1% decrease
Discount Rate	Decrease by 5.45%	Increase by 6.07%	Decrease by 5.11%	Increase by 5.63%
Salary growth rate	Increase by 5.76%	Decrease by 5.27%	Increase by 5.49%	Decrease by 5.06%
Attrition Rate	Decrease by 0.47%	Increase by 0.51%	Increase by 0.51%	Decrease by 0.38%

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows (based on terminal salary & past service) on the defined benefit plan in future years:

(Rs.in Lakhs)

Particulars	March 31 ,2019	March 31 ,2018
Within next 12 months	22.46	22.18
Between 1-5 years	146.03	129.35
Next five	116.26	127.95

The Category wise plan assets are as follows:-

(Rs.in Lakhs)		
Particulars	March 31 ,2019	March 31 ,2018
Investments with Insurer (LIC of India)	02.50 (100.00%)	13.75 (100.00%)

Note-35- EARNING PER SHARE (EPS)

Particulars	As At March 31, 2019 (Rs.)	As At March 31, 2018 (Rs.)
Earnings Per Share (EPS)-Basic & Diluted		
Numerator for basic and diluted EPS		
Net Profit/(Loss) attributable to Shareholders as at March 31	(7446073.79)	(37356732.35)
Weighted average number of equity shares (Denominator)	Nos.	Nos.
Number of equity shares outstanding at the end of the year (nos.)	1,45,14,580	1,45,14,580
Basic & Diluted EPS (in Rs.)	(00.51)	(02.57)
Nominal value of shares (Rs.)	5	5

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and Diluted earnings per share of the Company remain the same.

Note-36-CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

	As At March 31, 2019 (Rs.in lacs)	As At March 31, 2018 (Rs.in lacs)
(i) Guarantee given by the Company to the bank, on behalf of other Group Companies (i.e. G.S. Autocomp Private Limited & G.S. Consumer Products Private Limited & to PSIDC (for & on behalf of G.S. Radiators Ltd.)		
Balance Outstanding	594.52	507.08
(Maximum Amount)	(1294.26)	(1369.26)
(ii) Sales Bills Discounted with banks	48.46	219.56
(iii) Income Tax & Interest Demand-matter under appeal (Note No.37)	538.59	667.62

Note-37 The Company has filed an appeal against the demand and the management, including its tax/legal advisors, believes that its position will likely be upheld in the appellate process. The Company has paid an amount of **Rs. 288.72** (previous year Rs.286.59 Lakhs) in protest, against the above said demand. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

Note-38-CAPITAL AND OTHER COMMITMENTS

Estimated value of contracts remaining to be executed on Capital Accounts (net of advances), not provided for **Rs.NIL** (Previous year Rs.NIL). Guarantees given by Company's Bankers on behalf of the Company against sanctioned letter of credit limit of Rs.500 lacs is **Rs.402.88 Lacs** (previous year Rs.301.94 Lacs) are secured by extension of pari-passu charges by way of hypothecation of stock-in trade, raw material etc.

Note-39-Other Borrowing cost Note No.30 under the heading "Finance Cost" includes Bank Charges/Commission, Interest to others & hire charges.

Note-40-The Company is primarily engaged in the business of "Auto Components" for commercial vehicles, which are governed by same set of risks and returns and hence there is only one segment.

Note-41- In cases where letters of confirmation have been received from parties, book balances have been generally reconciled and adjusted, if required. In other cases, balance in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of accounts.

Note-42-No amount is considered as doubtful, from the total debtors.

Note-43- No amount is due, as on balance sheet date, from other officers or from directors or any of them either severally or jointly, with any other persons nor any debts due by firms or private companies, in the form of loans and advances in the nature of loans given to subsidiary and associates and firms/companies in which any of the directors are interested except at Note No.44.

Note-44--RELATED PARTY DISCLOSURE

a. Subsidiary

During the year and as at March 31, 2019, the Company has no any subsidiary company.

a. The Key Management personnel & individuals having control or significant Influence over the Company by reason of voting power, and their relatives:

Mr. Jasbir Singh Ryait	-	Chairman
Mr. Surinder Singh Ryait	-	Managing Director
Mrs. Dalvinder Kaur Ryait	-	Executive Director
Mrs. Amarjeet Kaur Ryait	-	Executive Director
Mr. Harkirat Singh Ryait	-	Executive Director (w.e.f February 14, 2019)
Mr. Neeraj Tuli	-	Chief Financial Officer
Mrs. Amninder Kaur	-	Company Secretary

b. Enterprises, over which control is exercised by individuals listed in "a" above:

G.S. Autocomp Private Limited*
G.S. Consumer Products Private Limited*
G.J.Holdings Private Limited*
Futurista Home Solutions Private Limited*
Gurmuk Singh International LLP
Ujjala Autotech Enterprises Private Limited*

* No transaction has taken place during the year.

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

Detail of transactions with enterprises referred to in “b” above:

(Rs.in Lacs)

S. No.	Particulars	2018-2019	2017-2018
1.	Sales, Services, Other Income		
	Sales of Goods –G S Autocomp Private Limited	00.00	1.41
	–Gurmukh Singh International LLP	11.18	---
	Rendering of Services	---	---
	Rental Income		
	G.S. Consumer Products Private Limited	00.23	01.20
	G.S. Autocomp Private Limited	01.00	01.00
	Bluebasic India Limited	00.00	00.03
	Futurista Home solutions Pvt. Ltd	00.00	0.06
	Other Income		
	G.S. Autocomp Private Limited	00.90	00.90
	Total	13.31	04.60
2.	Purchase of Semi-Finished Goods - G S Autocomp Private Ltd.	00.00	238.96
	- Gurmukh Singh International LLP	02.28	00.00
	Services	----	----
	Total	15.59	243.56

(Rs.in Lacs)

S. No.	Particulars	2018-2019	2017-2018
1.	Amount Outstanding-Payable		
	Accounts Payable (Receivable)		
	G.S. Autocomp Private Limited	(139.75)	587.72
	Gurmukh Singh International LLP	98.57	Nil

Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

NIL

Details of Transactions relating to the persons referred to in “a” above :-

S. No.	Particulars	2018-2019 (Rs. in lacs)	2017-2018 (Rs. in lacs)
	Managerial Remuneration (Mr.Jasbir Singh Ryait, Mr.Surinder Singh Ryait, Mrs.Dalvinder Kaur Ryait, Mrs.Amarjeet Kaur Ryait & Mr. Harkirat Singh Ryait)	168.67	200.26
	Remuneration paid to relative of key management personnel (up to February 13, 2019)	12.09	06.68

Breakup of compensation paid to key Management Personnel

(Rs. in Lacs)

S. No.	Particulars		2018-2019 (Rs. in lacs)	2017-2018 (Rs. in lacs)
1	Short term Employee Benefits	Mr. Jasbir Singh Ryait	79.54	79.57
		Mr. Surinder Singh Ryait	04.77	28.64
		Mrs. Dalvinder Kaur Ryait	76.93	76.93
		Mrs. Amarjeet Kaur Ryait	03.82	15.13
		Mr. Harkirat Singh Ryait*	03.62	34.39
		Mr. Neeraj Tuli	11.52	09.78
		Mrs. Amninder Kaur	02.79	02.34
2.	Post-Employment Benefits		-----	-----
3.	Other-long term benefits		-----	-----
4.	Termination benefits		-----	-----
	Total		182.99	246.78

* w.e.f February 14, 2019

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note – 45: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview:

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures. The Company's principal financial liabilities comprise trade and other payables and loans and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial asset include loans, deposits, trade and other receivables and cash and cash equivalents that derive directly from operations. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company's overall risk management procedures are to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder. The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management is carried out by the management in consultation with the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial and operating activities including deposits with banks, foreign exchange transactions and other financial instruments. The Company establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31 2019 & March 31, 2018 was as follows:-

Particulars	(Rs. in Lakhs)			
	As at March 31, 2019		As at March 31, 2018	
	Gross Carrying Value	Net Value after Impairment	Gross Carrying Value	Net Value after Impairment
Investments	----	-----	----	-----
Other Financial Assets	156.88	156.88	150.11	150.11
Trade Receivables	2459.31	2459.31	2933.51	2933.51
Cash & Cash equivalents	77.44	77.44	163.62	163.62
Other Bank Balances	119.13	119.13	112.25	112.25
Other Financial Assets	07.14	07.14	6.40	6.40
Other Advance recoverable (Short term loans & advances)	130.62	130.62	222.65	222.65

Financial assets that are past due but not impaired

Long term loan, short term loan, Trade Receivables, Cash and cash equivalents and other assets are neither past due nor impaired.

(i) Trade Receivables:

Customer's credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined risk parameters. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the respective notes. The average credit period taken on sales of goods is 45 to 90 days. Generally, no interest has been charged on the receivables. Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

(ii) Financial Instruments and bank deposits:

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings. The Company's maximum exposure to credit risk to credit risk for bank balances and deposits as at March 31 ,2019 and March 31 ,2018 is the carrying amounts as disclosed on the respective Notes.

(B) Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. Due to continued losses from the past two to three years along with its committed repayment of its long term liabilities, there remains a strong liquidity crunch in the day to day working of the Company and there will remain liquidity challenge in the days to come till the next year. However, the management is taking all the necessary steps to overcome this short term liquidity challenge with the best possible available means.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds.. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date.

(Rs. in Lakhs)

Particulars	Note No.	As At March 31 ,2019			Total
		Not later than one year	Latter than one year and not latte than five years	Latter than five years	
Financial Assets					
Trade Receivables		2459.31	----	----	2459.31
Others		07.14	156.88		164.02
Current Investments		----	----	----	
Cash and Cash equivalents		77.44	----	----	77.44
Other Bank Balance		119.13	----	----	119.13
Total		2663.02	156.88		2819.90

(Rs. in Lakhs)

Particulars	Note No.	As At March 31 ,2019			Total
		Not later than one year	Latter than one year and not latte than five years	Latter than five years	
Financial Liabilities					
Borrowings-Bank Loans		2710.62	-----	-----	2710.62
Current Payable		4311.48	-----	-----	4311.48
Non-Current Payables		814.58	51.15	-----	865.73
Other Liabilities-Non Current		-----	122.20	-----	122.20
Total		7836.68	173.35	-----	8010.03

(Rs. in Lakhs)

Particulars	Note No.	As At March 31 ,2018			Total
		Not later than one year	Latter than one year and not latte than five years	Latter than five years	
Financial Assets					
Trade Receivables		2933.51	----	----	2933.51
Others		6.40	150.11		156.51
Current Investments		----	----	----	
Cash and Cash equivalents		163.62	----	----	163.62
Other Bank Balance		112.25	----	----	112.25
Total		3215.78	150.11		3365.89

(Rs. in Lakhs)

Particulars	Note No.	As At March 31 ,2018			Total
		Not later than one year	Latter than one year and not latte than five years	Latter than five years	
Financial Liabilities					
Borrowings-Bank Loans		2607.44	-----	-----	2607.44
Current Payable		5054.89	-----	-----	5054.89
Non-Current Payables		552.22	77.65	-----	629.87
Other Liabilities-Non Current		-----	403.87	-----	403.87
Total		8214.55	481.52	-----	8696.07

Market Risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

Interest Rate Risk:

The Company's exposure to the risk of changes in market interest rates relates primarily to long term and working capital debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cash flows which are regularly reviewed by the Board. However, the risk is receding due to payment its long term liability.

The Company's non-current borrowings from banks and financial institutions are Rs.122.20 Lakhs as at March 31, 2019 and Rs.403.87 Lakhs as at March 31, 2018. Other non-current financial liabilities have no rate of interest where the risk of changes in the interest rates is not arises.

(ii) Commodity Risk:

The Company is exposed to the movement in the price of key raw materials and other consumables, which are quite volatile in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Company enters into contracts for procurement of raw materials and other materials. Most of the transactions are short term fixed price contracts.

(iii) Foreign Currency Risk:

Foreign currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currency rates.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company does not enter into financial instrument transactions for trading or speculative purpose. The Company transacts business primarily in Indian Rupees, USD, Euro and GBP. The Company has foreign currency non-current payables and current receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in Laks)

Particulars	Currency	As at March 31 ,2019	As at March 31 ,2018
Trade Receivables	USD	01.79	3.39
	EUR	00.57	-----
Advance from Customers	USD	-----	-----
	EUR	-----	-----
Term Loan in foreign Currency	USD	00.55	11.36
Balance in EEFC account		-----	-----
Currency Rates	Currency	As at March 31 ,2019	As at March 31 ,2018
USD		69.4431	65.1434
EUR		77.9812	80.2852

All the above said foreign currency exposures are un-hedged

Sensitivity Analysis

The following table demonstrates the sensitivity of profit and equity in USD and EUR to the Indian Rupee with all other variables held at constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

(Rs. in Lakhs)			
Particulars	Change in Currency exchange rate	Effect on profit before tax March 31 ,2019	Effect on profit before tax March 31 ,2018
USD	5%	04.29	(11.03)
	-5%	(04.29)	11.03
EUR	5%	02.24	-----
	-5%	(02.24)	-----

This is mainly attributable to the exposure outstanding on foreign currency receivables and advance from customers in the Company at the end of each reporting period.

Capital Management

The Company's objective for capital management is to manages its capital to be able to continue as a going concern and to maximize shareholders value, safeguarding business continuity And Support the growth of the Company. The Company determines the capital requirement based on annual operating Plans and Other strategic investment plans. The Funding requirements are met through equity and operating cash flow Generated. No Changes were made in the Objectives, policies or processes during the years ended March 31, 2019 and March 31, 2018. Capita represents equity attributable to equity holders of the parent Company.

The capital structure consists of debt which includes the borrowings, cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings. For the purpose of calculating gearing ratio, debt is defined as non-current and current. Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the audit committee and the Board of Directors. However, due to past financial losses along with repayment of its long term liability there is tightness in the liquidity system of the Company and the Board of Directors of the Company is taking all the necessary steps to remove the liquidity tightness with the overall improvement in the business of the Company.

The following table summarizes the capital of the Company:

(Rs.in Lakhs)		
Particulars	March 31 , 2019	March 31, 2018
Equity	3262.44	3331.51
Current Borrowings	2710.62	2607.44
Non-Current Borrowings	122.20	403.87
Current maturities of non-current borrowings	44.96	607.64
Total Debt	2877.78	3618.95
Gearing Ration-Debt to Equity	88.21%	108.63%

Note - 46. FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments

(Rs. in Lakhs)

Particulars	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				
Financial Assets measured at fair value				
Investments	----	----	----	----
Financial Assets measured at amortized cost				
Investments	----	----	----	----
Trade Receivables	2459.31	2933.51	2459.31	2933.51
Cash and Cash equivalents	77.44	163.62	77.44	163.62
Other Bank Balances	119.13	112.25	119.13	112.25
Securities deposit	150.08	143.32	150.08	143.32
Unclaimed dividends	06.80	6.79	06.80	6.79
Interest Receivables	07.14	6.40	07.14	6.40
Export Incentive Receivables	25.80	24.38	25.80	24.38
TOTAL	2845.70	3390.27	2845.70	3390.27
Financial Liabilities				
Financial Liabilities measured at amortized cost				
Borrowing-Non Current	122.20	403.87	122.20	403.87
Borrowing- Current	2710.62	2607.44	2710.62	2607.44
Trade Payables	2004.53	1994.31	2004.53	1994.31
Deposit-Dealers	51.15	77.65	51.15	77.65
Unclaimed dividends	06.80	6.79	06.80	6.79
Current Liabilities of long term liabilities	44.96	607.64	44.96	607.64
Other Current Liabilities	2255.20	2446.15	2255.20	2446.15
TOTAL	7195.46	8143.85	7195.46	8143.85

The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

The fair value of investments in mutual funds is determined using net assets value of the funds. Further, the subsequent measurement of all assets and liabilities (other than investments in mutual funds) is at amortized cost, using effective interest rate method.

47.1 Fair Value Hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets. **(Rs. in Lakhs)**

Particulars	Date of Valuation	Total	Fair Value measuring using		
			Quoted prices in active market (Level 1)	Significant observable input (Level 2)	Significant un-observable input (Level 3)
Disclosures fair value measurement hierarchy for assets as at March 31, 2018					
Assets measured at fair value					
Investments (There has been no transfer between Level 2 and Level 3 during the period)	March 31, 2019	----	-----	-----	-----
Disclosures fair value measurement hierarchy for assets as at March 31, 2017					
Assets measured at fair value					
Investments (There has been no transfer between Level 2 and Level 3 during the period)	March 31, 2018	----	-----	-----	-----

48. Figures in bracket indicate deductions except otherwise stated.

49. Unclaimed Dividend:

Unclaimed dividends include amounts transferred to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 .

50 Disclosure required under Section 186(4) of Companies Act, 2013

During the year, the Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013.

51. Leases:

Operating leases: Company as lessee

The Company had taken land at Jamshedpur on operating lease. The tenure of such lease is 30 years at the time of agreement. Lease rental are charged to the statement of profit and loss for the year. There are no sub-lease. The lease is renewable on mutual agreeable. At the expiry of the lease term, the company has an option to terminate the agreement or extend the term by giving the notice in writing.

Future minimum lease rental payables under non-cancellable operating lease are as follows:-

Particular	31 st March, 2018 (Rs.in Lakhs)	31 st March, 2018 (Rs.in Lakhs)
Lease payment for the year	01.59	01.59
Within one year	01.59	01.59
After one year but not more than five years	07.95	07.95
More than five years	19.08	20.67

Operating leases: Company as lessor

The Company has entered into agreements in the nature of lease/leave and license agreement with different lessee/licensee for the purpose of land/building/machinery etc. These are generally in nature of operating lease. Period of agreements are generally for ninety nine years and cancellable with a notice of sixty days and renewal at the options of the lessee/lessor.

Particular	31 st March, 2019 (Rs.in Lacs)	31 st March, 2018 (Rs.in Lacs)
Lease received during the year	01.00	01.00
Within one year	01.00	01.00
After one year but not more than five years	04.00	04.00
More than five years	90.67	91.67

52. Capital work in progress includes amount of **Rs. NIL** (Previous year Rs. 03.80 Lakhs), on account of machinery under installation, **Rs. NIL** (Previous year **Rs.NIL Lakhs**) on account of Building under construction, on account of electric fitting **Rs.NIL** (Previous year Rs. NIL) and expenses under capitalization **Rs. NIL** (Previous year **Rs.NIL lakhs**).

53. Intangible Assets comprises of Acquisition of computer Software & Video Advertisement have been amortized @ 25% on Straight line basis, as the useful life thereof has been estimated to be not more than four years.

54. MOVEMENT IN PROVISIONS

Disclosure of movement in provisions during the year as per Ind As 37, Provisions, Contingent Liabilities and Contingent Assets

(Rs.in Lakhs)				
Particulars	Balance as on April 01, 2018	Provided during the year	Paid/Adjusted during the year	Balance as on March 31, 2019
Non-Current Provisions				
For Accumulated Leaves	71.70	48.10	29.86	89.94
For Gratuity	218.41	52.59	21.25	249.75
Total	290.11	100.69	51.11	339.69
Current Provisions				
For Accumulated Leaves	33.95	0.00	25.80	08.15
Total	33.95	0.00	25.80	08.15

55. The Company is developing certain machineries (Special purpose Machines), as per its various in house production process requirements, along with for the requirements of its group Companies, as & when required, under its Research & Development Centre. The following expenditure has been incurred during the year, included under the relevant heads in the profit and loss account.

Expenditure incurred on Research & Development:

	Financial Year 2018-2019 (Rs.in lacs)	Financial Year 2017-2018 (Rs.in lacs)
Revenue Expenses	25.67	21.56
Wages (Research & Development) (included under Note No.29)	04.96	31.13

55. (a) Exchange difference Gain/ (Loss) on account of fluctuations in foreign currency rates:

	Financial Year 2018-2019 (Rs.in lacs)	Financial Year 2017-2018 (Rs.in lacs)
(i) Gain/ (Loss) relating to Exports during the year recognized in Statement of profit and loss account.	16.67	14.96
(ii) Recognized in the profit and Loss account		
Gain/ (Loss) on Settlement/revalorization of current assets	01.48	01.84

55. (b) Details of Un-hedged Foreign Currencies:

The yearend foreign currency exposures in respect of monetary items that have not been hedged by a derivative instrument or otherwise are given below, Amount (net) in foreign currency on account of the followings:-

Particulars	31st March, 2019 (Amount in Foreign Currency)	31st March, 2019 (Rs. in lacs)	31st March, 2018 (Amount in Foreign Currency)	31st March, 2018 (Rs. in lacs)
Export of Goods	USD 178588.81	128.38	USD 338655.36	220.22
	EURO 57491.46	35.46	-----	-----
Term Loan (principal outstanding)	USD 54964.886	29.02	USD 1136330	600.00

56. Detail of dues to Micro & Small enterprises as defined under Micro, Small and Medium Enterprises Developments Act, 2006 (MSMED Act 2006):-

Particulars	As At March 31, 2019 (Rs. In lakhs)	As At March 31, 2018 (Rs. In lakhs)
Principal amount due to suppliers under MSMED Act, 2006	53.98	108.39
Interest Accrued and due to suppliers under MSMED Act, 2006 on the above amount	--	--
Payment made to suppliers (other than interest) beyond the appointed day, during the year	--	--
Interest paid to suppliers under MSMED Act, 2006 (other than section 16)	--	--
Interest paid to suppliers under MSMED Act, 2006 (Section 16)	--	--
Interest due & payable to suppliers under MSMED Act, 2006 for the payments already made.	--	--
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006.	--	--

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small enterprises" on the basis of information available with the Company.

57. Capitalization of Expenses:

Bank Interest & Bank Charges capitalized in respect of Plant & Machinery & other Tangible Fixed Assets **Rs. NIL** (Previous year **Rs. NIL**).

- 58.** Miscellaneous Receipts include, **Rs. NIL** (previous year Rs.120.00 Lakhs) received on account partial withdrawal from key man insurance policies & **Rs. 0.42 Lacs** (Previous year Rs.1.06 Lakhs), on account of Insurance Claim received.

59. Proposed Dividend:

During the year & during the previous year, the Company has not proposed any dividend on its Equity shares.

60. Additional Information under Part II of Schedule III to the Companies Act, 2013:

60 (a) CIF Value of Import

Particulars	(Rs. in lacs)	
	Financial Year 2018-2019 (Rs.)	Financial Year 2017-2018 (Rs.)
Raw Material and Components	07.07	-----
Traded Goods	-----	-----
Total	07.07	Nil

60 (b) Expenditure in Foreign Currency:**(Rs. in lacs)**

Particulars	Financial Year 2018-2019 (Rs.)	Financial Year 2017-2018 (Rs.)
Raw Material and Components	07.07	00.00
Traded Goods	00.00	00.71
Repayment of term loan, Bank Charges & Commission & Interest	777.88	678.48
Total	784.95	679.19

60 (c) Earning in Foreign Currency:**(Rs. in lacs)**

Particulars	Financial Year 2018-2019 (Rs.)	Financial Year 2017-2018 (Rs.)
F.O.B value of Exports	315.83	586.28
Total	315.83	586.28

- 61.** Rental income includes **Rs. 01.23 lakhs** (previous year Rs.2.29 lakhs) from group companies as per Note No.46 above & **Rs.0.06 lacs** (previous year Rs.0.06 lacs) from others.
- 62.** Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

As per our report of even date
For SUKHMINDER SINGH & CO.
 ICAI Firm Registration No: 016737N
 Chartered Accountants

For and on behalf of the Board of Directors
of G.S.Auto International Limited

SUKHMINDER SINGH
 Partner
Membership No: 093100
Ludhiana: 30th May, 2019

JASBIR SINGH RYAIT
 Chairman & Jt. Mg. Director
SURINDER SINGH RYAIT
 Managing Director
HARKIRAT SINGH RYAIT
 Executive Director

NEERAJ TULI
 Chief Financial Officer
AMNINDER KAUR
 Company Secretary

Left Intentionally blank



If undelivered, please return to :

G.S. Auto
International Limited

G.S. Estate, G.T. Road
Ludhiana - 141 010
Punjab, India

Phone :
0161-2511001-05
Fax : 0161-2510885
Email
info@gsgroupindia.com

Website :
www.gsgroupindia.com