

# **ASAL**

**Automotive Stampings and Assemblies Limited**

**CIN L28932PN1990PLC016314**

Registered Office - G-71/2, MIDC Industrial Area, Bhosari, Pune - 411 026, Maharashtra, India

**ATATA Enterprise**

## **27<sup>th</sup> Annual Report 2016-17**



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## Automotive Stampings and Assemblies Limited

### CORPORATE INFORMATION

#### Board of Directors

(as on April 28, 2017)

Mr. Pradeep Mallick (Chairman)  
Mr. Pradeep Bhargava  
Ms. Rati Forbes  
Mr. Ramnath Mukhija  
Mr. Ajay Tandon  
Mr. Deepak Rastogi  
Mr. Harish Pathak  
Mr. Bharatkumar Parekh

#### Chief Executive Officer

Mr. Anil Khandekar (till January 14, 2017)  
Mr. Prashant Mahindrakar (w.e.f. January 15, 2017)

#### Chief Financial Officer

Mr. Ajay Joshi

#### Company Secretary

Mr. Ashutosh Kulkarni

#### Statutory Auditors

Price Waterhouse

#### Internal Auditors

B.K. Khare & Co.

#### Secretarial Auditors

SVD & Associates

#### Bankers

HDFC Bank  
State Bank of India

#### Works

##### Bhosari Works:

G-71/2,  
MIDC Industrial Area,  
Bhosari, Pune 411 026,  
Maharashtra, India.

##### Chakan Works:

Gat No. 427, Medankarwadi,  
Chakan, Taluka: Khed, Pune 410 501,  
Maharashtra, India.

##### Halol Works:

Survey No. 173,  
Village- Khakharia,  
Taluka: Savali, Near GIDC,  
Halol 389 350, Gujarat, India.

##### Pantnagar Works:

Plot No. 71, Sector 11,  
IIE Pantnagar Industrial Estate,  
Udham Singh Nagar 263 153,  
Uttarakhand, India.

#### Corporate Identity Number

L28932PN1990PLC016314

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#### Address for Correspondence

##### Registered Office:

G-71/2, MIDC Industrial Area,  
Bhosari, Pune 411 026  
Maharashtra, India  
Email: [cs@autostampings.com](mailto:cs@autostampings.com)  
website: [www.autostampings.com](http://www.autostampings.com)

##### Registrar & Share Transfer Agents:

Link Intime India Private Limited,  
Block 202, 2<sup>nd</sup> Floor Akshay Complex,  
Near Ganesh Temple, Off. Dhole Patil Road,  
Pune 411 001, Maharashtra, India  
Tel: (91) 020 26160084  
Fax: (91) 020 26163503  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**27<sup>th</sup> Annual General Meeting on Friday, the 28<sup>th</sup> day of July, 2017 at 9.30 a.m. at Moolgaokar Auditorium,  
Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre,  
Senapati Bapat Road, Pune 411 016.**

**FINANCIAL HIGHLIGHTS**

| Particulars  | Financial Year |         |         |         |         |         |         |         |         |         |  | (₹ in Crore) |
|--|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|--------------|
|  | 2007-08        | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |  |              |
| Total Revenue (Net of Excise Duty)   | 302.49         | 348.60  | 417.30  | 531.90  | 571.73  | 465.18  | 341.78  | 290.55  | 264.09  | 305.81  |  |              |
| Profit / (Loss) before Interest, Depreciation, Tax and Extra-ordinary Income | 20.50          | 18.50   | 28.20   | 33.88   | 29.31   | 13.66   | 9.78    | (6.44)  | (1.84)  | (15.71) |  |              |
| Extra- Ordinary Income   | -              | -       | -       | -       | -       | -       | -       | -       | -       | 12.84   |  |              |
| Profit / (Loss) After Tax  | 4.30           | (2.40)  | 5.10    | 10.17   | 5.97    | (4.43)  | (8.29)  | (23.17) | (20.80) | (2.87)  |  |              |
| Share Capital  | 19.20          | 19.20   | 19.20   | 19.20   | 15.86   | 15.86   | 15.86   | 15.86   | 15.86   | 15.86   |  |              |
| Reserves & Surplus   | 32.70          | 28.40   | 30.50   | 37.07   | 62.69   | 58.26   | 49.97   | 26.62   | 5.26    | 1.70    |  |              |
| Shareholders' Funds  | 51.90          | 47.60   | 49.70   | 56.27   | 78.55   | 74.12   | 65.83   | 42.48   | 21.12   | 17.57   |  |              |
| Loan Funds   | 62.36          | 70.70   | 52.50   | 60.48   | 31.93   | 52.79   | 61.06   | 64.18   | 75.25   | 72.39   |  |              |
| Total Capital Employed   | 114.26         | 118.30  | 102.20  | 116.75  | 110.48  | 126.91  | 126.89  | 106.66  | 96.37   | 89.96   |  |              |
| Net Block  | 69.34          | 109.60  | 100.40  | 99.25   | 117.95  | 110.55  | 121.36  | 113.48  | 104.51  | 109.85  |  |              |
| Preference Dividend  | 1.08           | 1.08    | 1.08    | 1.08    | 0.41    | -       | -       | -       | -       | -       |  |              |
| Equity Dividend  | 1.53           | 0.51    | 1.53    | 2.04    | 2.38    | -       | -       | -       | -       | -       |  |              |
| Rate of Dividend   | 15.00%         | 5.00%   | 15.00%  | 20.00%  | 15.00%  | -       | -       | -       | -       | -       |  |              |
| No. of Shareholders  | 3,408          | 3,353   | 3,363   | 4,220   | 4,889   | 4,636   | 4,381   | 4,101   | 4,001   | 4,087   |  |              |
| Earnings / (Loss) Per Equity Share (Basic) ₹                                 | 2.97           | (3.62)  | 3.81    | 8.74    | 3.89    | (2.79)  | (5.23)  | (14.61) | (13.11) | (1.81)  |  |              |

\* Previous years figures have been regrouped, wherever necessary.

## Automotive Stampings and Assemblies Limited

### NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting (AGM) of the Members of Automotive Stampings and Assemblies Limited will be held on Friday, the 28<sup>th</sup> day of July, 2017 at 9.30 a.m. at Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, International Convention Centre, Senapati Bapat Road, Pune 411 016 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ajay Tandon (DIN: 00128667) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), B S R & Co. LLP, Chartered Accountants, Pune (Firm Registration No.: 101248W/W-100022) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors Price Waterhouse, Chartered Accountants, Pune (Registration No.: 301112E) to hold office from the conclusion of this 27<sup>th</sup> AGM from FY 2017-18 for a period of 5 (five) consecutive Financial years till the conclusion of the 32<sup>nd</sup> AGM to be held in the FY 2022-23, (subject to ratification by the Members at every AGM, if so required under the Act), at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the audit as may be mutually agreed between the Board of Directors of the Company and the Auditors."

#### SPECIAL BUSINESS:

##### 4. Appointment of Mr. Ramnath Mukhija (DIN: 00001653) as an Independent Director

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

"RESOLVED THAT Mr. Ramnath Mukhija (DIN:00001653), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 10, 2017 and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 ('the Act') and Article 37 of the Articles of Association of the Company, but who is eligible for appointment as Director and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company. RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Mr. Ramnath Mukhija, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, to hold office with effect from March 10, 2017 up to February 4, 2019, be and is hereby approved."

**5. Appointment of Mr. Harish Pathak (DIN: 02426760) as a Director**

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

“RESOLVED THAT Mr. Harish Pathak (DIN: 02426760), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 10, 2017 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 ('the Act') and Article 37 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**6. Appointment of Mr. Bharatkumar Parekh (DIN: 01521346) as a Director**

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

“RESOLVED THAT Mr. Bharatkumar Parekh (DIN: 01521346), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 10, 2017 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 ('the Act') and Article 37 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**7. Appointment of Mr. Prashant Mahindrakar as a Manager designated as Chief Executive Officer**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the approval of Members be and is hereby accorded to the appointment of Mr. Prashant Mahindrakar, as a “Manager” under Section 196 of the Act, designated as the ‘Chief Executive Officer’ of the Company (hereinafter referred to as the “appointee”) and his remuneration for a period of 3 years from January 15, 2017 to January 14, 2020 upon the terms and conditions as set out below and as mentioned in the agreement entered into in this behalf with him, with authority to the Board of Directors and/ or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and /or the Agreement in such manner as may be agreed from time to time between the Board of Directors and the appointee:-

**Remuneration:**

- a. Basic Salary: In the scale of basic salary of ₹ 1,00,000/- to ₹ 1,80,000/- per month with authority to the Board and/or Nomination and Remuneration Committee to fix his salary within the above scale from time to time, current basic salary being ₹ 1,12,400/- per month. The increments may be decided by the Board and/or Nomination and Remuneration Committee from time to time subject however, upto an amount not exceeding ₹ 1,80,000/- per month.

## Automotive Stampings and Assemblies Limited

- b. Incentive Remuneration: Upto 200 % of basic salary to be paid at the discretion of the Board and/or Nomination and Remuneration Committee and based on agreed performance criteria.
- c. Perquisites and allowances: The appointee shall be entitled to the perquisites and allowances as per the Company Rules in addition to the salary and incentive remuneration. Such perquisites and allowances shall be subject to a maximum of 300% of his annual basic salary earned in a financial year under the following criteria:
  - In arriving at the value of the perquisites insofar as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time. In the absence of any such Rules, Perquisites and allowances shall be determined at actual cost incurred by the Company in providing such perquisites and allowances.
  - Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund (subject to tax), to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

In particular, the following perquisites and allowances are currently allowed to the appointee: -

A) Allowances: -

- Executive Allowance ₹ 44,960/- per month (or any other Allowance paid as per the Company Rules)
- Driver Allowance ₹ 12,000/- per month
- Car allowance ₹ 16,500/- per month
- Fuel and Maintenance allowance ₹ 12,000/- per month
- Personal Pay ₹ 56,600/- per month

B) Perquisites: -

- i) Housing: The Company will provide hired unfurnished accommodation; or where no accommodation is provided by the Company, then House Rent Allowance shall be paid. The Rent for the accommodation and/or House Rent Allowance shall be subject to a ceiling of an amount equal to 70% of basic salary of the appointee.
- ii) Medical Reimbursement: Expenditure incurred by the appointee and his family on domiciliary medical treatment shall be reimbursed, subject to a ceiling of one month's basic salary in a year. The amount may be paid as a Medical Allowance on a monthly basis, subject to a ceiling of one month's salary in a year as per the rules of the Company. Assistance for actual medical expenses in the event of hospitalization, incurred for self, family shall be as per the rules of the Company.
- iii) Leave and Leave Travel Concession: Leave on full salary and encashment of unavailed balance during the tenure shall be as per the Rules of the Company. The Leave Travel Allowance may be paid by way of a monthly / annual allowance subject to a ceiling of one month's salary in a year as per the rules of the Company.



- iv) Insurance: The appointee shall be eligible for the benefit of Group Medclaim Insurance and Group Personal Accident Insurance Policies taken out as per the rules of the Company.
- v) Other benefits / amenities like sale assets, if any at concessional rate after the specified period, cash allowance in lieu of certain amenities / benefits, etc., shall be as per the rules of the Company.
- vi) Contributions to Provident Fund, Superannuation Fund or Annuity Fund shall be as per the rules of the Company.
- vii) Gratuity and encashment of leave at the end of his tenure shall be permitted as per the Rules of the Company.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Prashant Mahindrakar, Manager, the Company has no profit or its profits are inadequate, the Company shall nevertheless continue to pay to Mr. Prashant Mahindrakar all the remuneration by way of salary (including incentive remuneration) and allowances and perquisites as set out in the Employment Agreement as minimum remuneration, however not exceeding the limits stipulated under Section II of Part II of Schedule V of the Act for the time being in force (including any statutory modifications or re-enactment thereof), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board / Nomination and Remuneration Committee be and is hereby authorised to alter and vary the terms and conditions of appointment and / or remuneration of Mr. Prashant Mahindrakar, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**8. To approve Related Party transactions of the Company with Fiat India Automobile Private Limited (Fiat)**

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

"RESOLVED THAT pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors to enter into transaction(s) of sale, supply / purchase of goods, materials, tools, dies, fixtures etc. to / from Fiat, selling or otherwise disposing of or buying, leasing of property of any kind to / from Fiat, rendering / availing of any services to / from Fiat, warranty expenses, sale or purchase of fixed assets to /from Fiat, any transaction in the nature of loan / advance from time to time with or without interest/ charges thereon including rollover / extension of maturity from time to time if any, issue / providing of any Guarantee or security, if any, any other transaction including transactions related to rate revisions, reimbursement/ recovery of expenses etc. whether material or otherwise, for the period of 5 (five) financial years with effect from April 1, 2016, with Fiat a Related Party, upto

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an estimated annual value of ₹ 70 Crore (Rupees Seventy Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and Fiat.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution."

**9. To consider and determine the fees for delivery of any document through a particular mode of delivery to a Member**

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

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any Member by the Company through various means as prescribed under said Section, the consent of the Company be and is hereby accorded to charge from a Member fees at actuals for each such document and the estimated actual expenses of delivery of the documents, in advance, pursuant to any request made by the Member for delivery of such document to him, through a particular mode of services provided such request alongwith requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, Director(s) or Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above Resolution."

**BY ORDER OF THE BOARD**  
**For Automotive Stampings and Assemblies Limited**

Ashutosh Kulkarni  
Company Secretary  
Membership No.: -A18549

Date: May 22, 2017

Place : Pune

**Registered Office:**

G-71/2, MIDC Industrial Area,  
Bhosari, Pune 411 026.