

**AUDITOR'S REPORT &
ANNUAL ACCOUNTS**

2019-2020

ACMA

Automotive Component Manufacturers Association of India

INDEPENDENT AUDITOR'S REPORT

To The Members of Automotive Component Manufacturers Association of India

Report on the Financial Statements

We have audited the financial statements of “**Automotive Component Manufacturers Association of India**”, which comprise Balance Sheet as at 31st March 2020, its Statement of Income & Expenditure and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility on Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- (b) In the case of the Statement of Income & Expenditure, of the **surplus** for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Income and Expenditure, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Managing Committee Members as on 31st March, 2020 taken on record by the Managing Committee, none of the Managing Committee Member is disqualified as on 31st March, 2020 from being appointed as a Managing Committee Member 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 A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (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. There are no pending litigations against the company impacting its financial position;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. The Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act is not applicable to the Company since Company is licensed u/s 8 of the Companies Act.

Place: New Delhi
Date: 28th July, 2020

sd/-
(K. K. Khanna)
Membership No. 007887
Partner

K. K. Khanna & Co.,
Chartered Accountants
Firm Reg. No. 002221 N
UDIN: 20007887AAAAAX3805

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of “**Automotive Component Manufacturers Association of India**”, ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Date: 28th July, 2020

sd/-
(K. K. Khanna)
Membership No. 007887
Partner

K. K. Khanna & Co.,
Chartered Accountants
Firm Reg. No. 002221 N
UDIN: 20007887AAAAAX3805

**AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA
BALANCE SHEET AS AT 31ST MARCH, 2020**

Particulars	Note No.	AS AT 31.03.2020	AS AT 31.03.2019
EQUITY AND LIABILITIES			
Funds			
General	2.1	86,70,88,965	84,79,00,592
Earmarked Funds	2.2	1,11,69,700	1,30,33,372
Govt. Grant for UNIDO-ACMA-DHI Partnership Program	2.3	43,98,777	2,67,67,123
		<u>88,26,57,442</u>	<u>88,77,01,087</u>
Non-Current Liabilities			
Long-Term Provisions	3	11,21,23,259	9,35,13,804
Current Liabilities			
Accounts Payable	4.1	3,64,59,834	3,29,83,462
Other Current Liabilities	4.2	5,23,45,251	7,09,38,742
		<u>20,09,28,344</u>	<u>19,74,36,008</u>
Total Equity and Liabilities (Rs.)		<u>1,08,35,85,786</u>	<u>1,08,51,37,095</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	5.1	9,80,36,303	9,94,93,812
Deferred Tax Assets (Net)		60,17,429	49,05,967
Long-Term Loans and Advances	5.2	14,76,61,643	11,78,96,585
		<u>25,17,15,375</u>	<u>22,22,96,364</u>
Current Assets			
Current Investment	6.1	54,32,39,000	50,40,39,000
Accounts Receivable	6.2	6,13,34,500	3,62,84,090
Cash and Cash Equivalents	6.3	11,97,97,201	19,66,05,493
Short-Term Loans and Advances	6.4	63,28,170	2,06,31,771
Other Current Assets	6.5	10,11,71,540	10,52,80,377
		<u>83,18,70,411</u>	<u>86,28,40,731</u>
Total Assets (Rs.)		<u>1,08,35,85,786</u>	<u>1,08,51,37,095</u>

See accompanying notes forming part of the financial statements.

As per our Report of even date attached

For K.K. Khanna & Co.

Chartered Accountants

Firm Regn No.: 002221 N

sd/-	sd/-	sd/-	sd/-
(K.K. KHANNA)	(VINNIE MEHTA)	(SUNJAY KAPUR)	(DEEPAK JAIN)
Partner	Secretary	Vice President	President
Membership No.: 007887	DIN 08112007	DIN 00145529	DIN 00004972

Place : New Delhi

Date : 28th July, 2020

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Income			
Revenue from Operations	7	33,32,10,156	34,95,00,178
Other Income	8	<u>5,33,39,420</u>	<u>6,99,63,158</u>
Total (Rs.)		<u>38,65,49,576</u>	<u>41,94,63,336</u>
Expenses			
Cost of Services Provided	9	15,51,53,869	20,44,27,537
Employee Benefits Expense	10	10,90,85,404	9,58,23,787
Other Expenses	11	6,60,21,626	6,28,35,230
Depreciation		2,66,88,265	1,26,75,707
Tax Expenses:			
Current Tax	1,20,00,000		1,00,00,000
Deferred Tax	<u>(11,11,462)</u>	<u>1,08,88,538</u>	<u>(30,09,153)</u> 69,90,847
Total (Rs.)		<u>36,78,37,703</u>	<u>38,27,53,108</u>
Excess of Income over Expenditure		<u>1,87,11,873</u>	<u>3,67,10,228</u>
Total (Rs.)		<u>38,65,49,576</u>	<u>41,94,63,336</u>

As per our Report of even date attached

For K.K. Khanna & Co.

Chartered Accountants

Firm Regn No.: 002221 N

sd/-	sd/-	sd/-	sd/-
(K.K. KHANNA)	(VINNIE MEHTA)	(SUNJAY KAPUR)	(DEEPAK JAIN)
Partner	Secretary	Vice President	President
Membership No.: 007887	DIN 08112007	DIN 00145529	DIN 00004972

Place : New Delhi

Date : 28th July, 2020

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA
CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
A. Cash flow from operating activities		
Excess of income over expenditure before tax	2,96,00,411	4,37,01,075
Depreciation and amortisation on fixed assets in India	2,66,88,265	1,26,75,704
Profit on sale of fixed assets	(4,83,821)	(2,00,64,672)
Loss on sale of fixed assets	-	4,841
Provision for Leave encashment	35,81,600	17,34,373
Provision for Gratuity	30,27,855	12,96,857
Interest on investments	(5,03,62,192)	(4,80,22,203)
Assets written off	-	24,119
	1,20,52,118	(86,49,906)
Decrease in Ear-marked Fund	(18,63,672)	(11,00,000)
Adjustment of Grant received from Govt. for ACMA-UNIDO	(2,23,68,346)	3,43,97,096
Operating Profit before working capital changes	(1,21,79,900)	2,46,47,190
Adjustments for changes in working capital :		
(Increase)/Decrease in Accounts Receivable	(2,50,50,410)	4,13,66,190
(Increase)/Decrease in Other Current Assets	41,08,838	55,76,773
(Increase)/Decrease in Short-Term Loans and Advances	1,43,03,601	13,32,519
Increase/(Decrease) in Accounts Payable	34,76,372	78,11,689
Increase/(Decrease) in Current Liabilities	(1,85,93,490)	(56,38,424)
Cash Generated From Operations	(3,39,34,989)	7,50,95,937
Tax Paid	2,97,37,313	2,82,65,900
Net Cash Flow/ (used in) Operating Activities	(6,36,72,302)	4,68,30,037
B. Cash Flow From Investing Activities :		
Purchase of fixed assets	(2,55,01,522)	(4,39,65,562)
Purchase of fixed deposits with bank and other institutions	(3,92,00,000)	(3,09,00,000)
Proceeds from Sale of Fixed Assets	7,54,584	2,14,17,614
Interest on investments	5,03,62,192	4,80,22,203
Net Cash Flow/ (used in) Investing Activities	(1,35,84,746)	(54,25,745)
C. Cash Flow From Financing Activities :		
Proceeds from Admission Fees	4,76,500	6,29,000
(Increase)/Decrease in Security Deposits	(27,744)	(4,09,053)
Net Cash Flow/ (used in) Financing Activities	4,48,756	2,19,947
Net Increase / (Decrease) in Cash and Cash Equivalent	(7,68,08,292)	4,16,24,239
Cash and Cash Equivalent at the beginning of the year	19,66,05,493	15,49,81,254
Cash and Cash Equivalent at the End of the year	11,97,97,201	19,66,05,493

As per our Report of even date attached

For K.K. Khanna & Co.

Chartered Accountants

Firm Regn No.: 002221 N

sd/-

(K.K. KHANNA)

Partner

Membership No.: 007887

sd/-

(VINNIE MEHTA)

Secretary

DIN 08112007

sd/-

(SUNJAY KAPUR)

Vice President

DIN 00145529

sd/-

(DEEPAK JAIN)

President

DIN 00004972

Place : New Delhi

Date : 28th July, 2020

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The Automotive Component Manufacturers Association of India (ACMA) is registered u/s 8 (formerly section 25) of Companies Act, 2013. ACMA is the apex body representing the interest of the Indian Auto Component Industry. ACMA's Charter is to develop globally competitive Indian Auto Component Industry and strengthen its role in national economic development and also to promote business through international alliances.

NOTE: 1 Significant Accounting Policies

1.1 ACCOUNTING CONVENTION

The accompanying financial statements have been prepared in accordance with the historical cost convention and in accordance with the mandatory applicable accounting standards prescribed by the Chartered Accountants of India. The Association follows accrual basis of accounting.

1.2 USE OF ESTIMATES

The preparation of financial statements requires estimate and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, the actual outcome may be different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

1.3 FIXED ASSETS

Fixed Assets (Tangible) are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its location and working conditions for its intended use.

1.4 DEPRECIATION

Depreciation has been provided on written-down-value method as per guidelines laid in Schedule II of the Companies Act, 2013

1.5 REVENUE RECOGNITION

Income from events and various programs conducted by Association are being recognized based on arrangements / agreements with the concerned parties.

Membership Subscriptions are recognized on an accrual basis as and when subscriptions are due from its members

Interest on Investments and deposits are accrued on a time proportion basis.

1.6 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of the transaction.

1.7 CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT

All assets and liabilities are classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013.

1.8 INVESTMENTS

Investments are classified as current and non-current as per criteria set out in Schedule III to the Companies Act 2013.

1.9 Pending Audit and finalization of accounts of Auto Expo Component Show 2020, CII has paid Rs.4 crore to ACMA as part payment of fee for rendering Services to CII as per Service Agreement. Balance Fee, if any, shall be accounted for as soon as it is determined.

1.10 PROVISION FOR DOUBTFUL DEBTS / ADVANCES

Provision for doubtful debts is made for all debts which are outstanding for a period more than one year and in some cases more than six months.

1.11 INCOME TAX

Taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Taxes comprises both Current and Deferred Tax.

Current Tax is measured at the amount expected to be paid / recovered from the revenue authorities, using the applicable tax rates as per current law. The tax effect of the timing differences that results between taxable

income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a Deferred Tax Asset or Deferred Tax Liability. Deferred Tax Assets and Liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations. The carrying amount of Deferred Tax Liabilities at each Balance Sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the Deferred Tax Liabilities can be realized.

1.12 **IMPAIRMENT OF ASSETS**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is treated as impaired, when the carrying value of assets exceeds its recoverable value. Based on such assessment, impairment loss, if any, is recognized in the Statement of Income & Expenditure Accounts for the period in which the asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.13 **CONTINGENT LIABILITIES**

Liability Not Provided

There is a tax demand of Rs.7,80,04,930/- pertaining to assessment year 2009-10. The demand is being contested in appeal before the Honorable Tribunal.

1.14 **GOVERNMENT GRANTS**

- a) Government sanctioned a grant of Rs.451.88 lakh under MAI Scheme during the year, out of which Rs.108.51 lakh representing excess of expenditure over grant received were recoverable from Govt. Refer Note No. 6.5
- b) In FY 2019-20, the Association utilized Rs.223.68 lakh against the grant received for UNIDO-ACMA-DHI Partnership Program, Refer Note No. 2.3

1.15 **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purpose of Cash Flow Statement comprises cash in hand, bank balances and fixed deposits with banks.

1.16 Both current year and previous year figures have been re-grouped and re-arranged, wherever necessary, to conform to the present classification.

1.17 **EMPLOYEE BENEFITS**

The Association has classified various employee benefits as under:

a) Defined Contribution Plans

- i) Provident Fund
- ii) Superannuation Fund

The Provident Fund is operated by the Regional Provident Fund Commissioner and contributions to Superannuation Fund (based on percentage of salary) is managed by Life Insurance Corporation of India (LIC).

b) Defined Benefit Plans

- i) Gratuity
- ii) Leave Encashment

The Association has arrangement with Life Insurance Corporation of India for future payment of gratuities. Annual Gratuity contributions are made as determined by LIC.

Leave Encashment

Compensated absence payments are made to the employees on retirement / resignation from service. The liability is actuarially ascertained centrally for the employees of ACMA with actuarial valuation carried out as at the Balance Sheet date. Short term employee benefits are recognized on an undiscounted basis whereas long term employee benefits are recognized on discounted basis.

DEFINED BENEFIT PLAN

The Employee's Gratuity Fund Scheme which is Defined Benefit Plan, is maintained by Life Insurance Corporation of India (LIC). The present value of obligation is based on Actuarial Valuation using Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employees retirement and measures each unit separately to build up the final obligation.

Retirement Benefits

Disclosures in respect of defined benefit obligations (Gratuity)

i) Reconciliation of opening and closing balances of the present value of defined benefit obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	1,86,06,661	1,57,80,804
Current service cost	13,36,105	12,52,827
Past service cost	--	--
Interest Cost	14,23,410	12,19,856
Actuarial (gain) / loss	11,00,494	4,73,871
Benefits paid	(3,86,802)	(1,20,697)
Closing defined benefit obligation	2,20,79,868	1,86,06,661

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

Particulars	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	1,19,47,642	1,04,18,642
Expected return on plan assets	9,06,826	8,33,491
Actuarial Gain / (Loss)	(87,167)	8,16,206
Contribution by Employer	12,495	-
Benefits Paid	(3,86,802)	(1,20,697)
Closing fair value of plan assets	1,23,92,994	1,19,47,642

iii) Assets and liabilities recognized in the Balance Sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of funded obligation	2,20,79,868	1,86,06,661
Fair value of plan assets	1,23,92,994	1,19,47,642
Net liability recognized in the Balance Sheet	(96,86,874)	(66,59,019)

iv) Expenses recognized in the Income and Expenditure Account

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Cost	13,36,105	12,52,827
Past Service Cost	--	--
Interest on obligation	14,23,410	12,19,856
Expected return on plan assets	(9,06,826)	(8,33,491)
Net actuarial loss recognized during the year	11,87,661	(3,42,335)
Expense recognized	30,40,350	12,96,857

v) Major categories of plan assets as a percentage of fair value of the total plan assets

Particulars	As at March 31, 2020	As at March 31, 2019
Administered by Life Insurance Corporation of India	100%	100%

vi) Principal actuarial assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.80%	7.65%
Expected rate of return of plan assets	7.27%	7.59%
Expected salary increase rate	6.00%	6.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

vii) Information in respect of year ended as on March 31, 2020 and last 4 years are as follows

Particulars	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligation	2,20,79,868	1,86,06,661	1,57,80,804	1,22,79,007	1,10,26,891
Fair value of plan assets	1,23,92,994	1,19,47,642	1,04,18,642	1,05,33,445	1,01,01,568
Net Liability	(96,86,874)	(66,59,019)	(53,62,162)	(17,45,562)	(9,25,323)

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	As at 31.03.2020	As at 31.03.2019
EQUITY AND LIABILITIES		
Note - 2 FUNDS		
2.1 General		
As per last Balance Sheet	84,79,00,592	81,05,61,364
Add : Admission Fees Capitalised	<u>4,76,500</u>	<u>6,29,000</u>
	84,83,77,092	81,11,90,364
Add:		
Surplus for the year transferred from Income and Expenditure Account	<u>1,87,11,873</u>	<u>3,67,10,228</u>
Total (Rs.)	<u>86,70,88,965</u>	<u>84,79,00,592</u>
2.2 Earmarked Fund		
Fund for Cluster Projects		
As per last Balance Sheet	1,30,33,372	1,41,33,372
Less:		
Amount Utilised during the year	<u>18,63,672</u>	<u>11,00,000</u>
Total (Rs.)	<u>1,11,69,700</u>	<u>1,30,33,372</u>
2.3 Govt. Grant for UNIDO-ACMA-DHI Partnership Program		
As per last Balance Sheet	2,67,67,123	(76,29,973)
Add:		
Grant received during the year	<u>--</u>	<u>4,90,87,496</u>
	2,67,67,123	4,14,57,523
Less:		
Grant utilised during the year	<u>2,23,68,346</u>	<u>1,46,90,400</u>
Total (Rs.)	<u>43,98,777</u>	<u>2,67,67,123</u>

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	As at 31.03.2020	As at 31.03.2019
Note - 3 NON CURRENT LIABILITIES		
Long Term Provisions		
Provision for Taxation	8,85,80,798	7,65,80,798
Provision for Gratuity	96,86,874	66,59,019
Provision for Leave Encashment	<u>1,38,55,587</u>	<u>1,02,73,987</u>
Total (Rs.)	<u>11,21,23,259</u>	<u>9,35,13,804</u>
Note - 4 CURRENT LIABILITIES		
4.1 Accounts Payable		
Sundry Creditors	2,14,93,911	2,83,34,227
Others	<u>1,49,65,923</u>	<u>46,49,235</u>
Total (Rs.)	<u>3,64,59,834</u>	<u>3,29,83,462</u>
4.2 Other Current Liabilities		
Advance Membership Subscription	10,57,541	15,27,146
Un-utilised MDA Grant pending refunding to Ministry of Commerce and Industry	-	17,39,671
Un-utilised MAI Grant pending refunding to Ministry of Commerce and Industry	15,00,001	15,00,001
Contribution from participating companies for ACMA-UNIDO Skilling Project	2,12,74,638	1,35,49,194
Employee Related Dues	19,83,415	67,48,547
Statutory Dues	51,91,415	55,62,113
Advance Collections for Projects	1,78,70,749	4,02,27,460
GST Due on Output Services - Credit Balance	<u>34,67,493</u>	<u>84,609</u>
Total (Rs.)	<u>5,23,45,251</u>	<u>7,09,38,741</u>

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Note - 5 NON-CURRENT ASSETS

5.1 Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Total as at 31.03.2019	Additions During The Year	Deductions During The Year	Total as at 31.03.2020	Upto 31.03.2019	Depreciation Adjusted	For the Year	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Tangible Assets										
BUILDING	11,60,96,010	-	-	11,60,96,010	5,87,02,004	-	27,84,396	6,14,86,400	5,46,09,610	5,73,94,006
FURNITURE FIXTURES	1,58,42,909	6,19,351	-	1,64,62,260	76,82,182	-	21,62,739	98,44,921	66,17,339	81,60,727
OFFICE EQUIPMENT	2,13,65,451	50,84,730	6,29,410	2,58,20,770	33,44,365	6,29,410	95,96,355	1,23,11,310	1,35,09,460	1,80,21,086
VEHICLE	1,80,29,271	43,61,310	47,90,836	1,75,99,745	79,06,463	45,20,072	37,15,539	71,01,930	1,04,97,815	1,01,22,808
OFFICE RENOVATION	79,93,126	35,40,249	-	1,15,33,375	64,67,452	-	8,71,901	73,39,353	41,94,022	15,25,674
LAN SYSTEM	82,56,489	35,84,220	12,06,108	1,06,34,601	46,33,502	12,06,108	35,57,670	69,85,064	36,49,537	36,22,987
WEBSITE	19,28,651	-	4,90,000	14,38,651	16,90,942	4,90,000	1,24,450	13,25,392	1,13,259	2,37,709
SOFTWARE	13,34,743	83,11,662	10,15,863	86,30,542	9,25,928	10,15,863	38,75,216	37,85,281	48,45,261	4,08,815
TOTAL (RS.)	19,08,46,650	2,55,01,522	81,32,217	20,82,15,954	9,13,52,838	78,61,453	2,66,88,265	11,01,79,651	9,80,36,303	9,94,93,812

NOTE:

1) Depreciation has been calculated as per the WDV Method laid in Schedule II of the Company Act, 2013, keeping in view the useful life of each asset.

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

	As at 31.03.2020	As at 31.03.2019
5.2 Long Term Loans and Advances		
Unsecured, considered good, unless otherwise stated		
Security Deposits	49,68,145	49,40,401
Rent Deposits	5,75,000	5,75,000
	<u>55,43,145</u>	<u>55,15,401</u>
Other Loans and Advances		
Tax Payments	14,21,18,497	11,23,81,184
	<u>14,21,18,497</u>	<u>11,23,81,184</u>
Total (Rs.)	<u>14,76,61,642</u>	<u>11,78,96,585</u>

Note - 6 CURRENT ASSETS

6.1 Current Investments

Fixed Deposits with HDFC	7,90,00,000	14,23,00,000
Fixed Deposits with HUDCO	1,75,00,000	2,50,00,000
Fixed Deposits with LIC Housing Finance Ltd.	14,11,50,000	14,11,50,000
Fixed Deposits with PNB Housing Finance Ltd.	9,05,00,000	5,55,00,000
Deposit with Govt. of India 8% Taxable Bond	10,60,00,000	10,60,00,000
Fixed Deposits with ICICI Home Finance Ltd.	9,80,00,000	2,30,00,000
Fixed Deposits with Can Fin Home Finance Ltd.	50,00,000	50,00,000
REC Capital Gain Bond	50,00,000	50,00,000
Deposit with Tax Free Bonds IRFC	5,88,000	5,88,000
Deposit with Tax Free Bonds NABARD	5,01,000	5,01,000
Total (Rs.)	<u>54,32,39,000</u>	<u>50,40,39,000</u>

6.2 Accounts Receivable

Unsecured		
Over Six Months		
Considered good	20,30,693	18,13,988
Considered doubtful	18,76,770	14,08,412
Others		
Considered good	5,93,03,807	3,44,70,102
Considered doubtful	-	4,36,600
	<u>6,32,11,270</u>	<u>3,81,29,102</u>
Less :- Provision for Doubtful Debts	18,76,770	18,45,012
Total (Rs.)	<u>6,13,34,500</u>	<u>3,62,84,090</u>

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	As at 31.03.2020	As at 31.03.2019
6.3 Cash and Cash Equivalents		
Balance with Banks		
In Current Account	4,36,09,778	2,16,88,087
In Deposit with the maturity period of upto 12 months	-	10,96,00,000
In Deposit with the maturity period of over 12 months	7,61,00,000	6,52,38,456
Cash on hand	87,423	78,950
Total (Rs.)	<u>11,97,97,201</u>	<u>19,66,05,493</u>
6.4 Short Term Loans and Advances		
Unsecured, considered good, unless otherwise stated		
Loans and Advances to Employees	4,58,911	7,58,961
Prepaid Expenses	17,17,315	21,63,260
Other Advances	41,51,944	1,77,09,550
Total (Rs.)	<u>63,28,170</u>	<u>2,06,31,771</u>
6.5 Other Current Assets		
Interest Accrued on Deposits	7,65,23,152	6,37,49,403
GST Due on Input Services - Debit Balance	1,25,12,682	58,41,223
Grant Receivable from Ministry of Commerce & Industry under MAI Scheme:		
(i) excess of utilisation over grant received under MAI Scheme	1,08,51,041	3,49,66,530
(ii) Grant Receivable from MOCI under MAI Scheme for Exporters	12,48,055	6,50,000
4 th Installment of VRS Compensation	36,610	73,222
Total (Rs.)	<u>10,11,71,540</u>	<u>10,52,80,378</u>

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Note - 7 Revenue from Operations		
Revenue from Services Provided		
Subscription	5,31,78,809	5,38,53,652
Exhibitions		
Overseas	4,89,71,068	7,00,15,305
Domestic	7,34,74,468	2,20,46,591
Seminars, Conferences & Other Activities	6,60,36,693	9,21,09,597
Study Mission	7,22,000	28,01,000
Advertisement Receipts	15,68,125	15,65,565
Annual Awards	44,83,093	55,60,000
Cluster Projects	8,28,36,000	10,06,16,918
ACMA Centre of Excellence	19,39,900	9,31,550
Total (Rs.)	<u>33,32,10,156</u>	<u>34,95,00,178</u>
Note - 8 Other Income		
Interest Income	5,03,62,192	4,80,22,203
Publications	17,00,291	6,44,777
Bad Debt Recovery	2,51,520	-
Profit on Sale of Assets	4,83,821	2,00,64,672
Accounts Payable Written-Back	59,371	36,538
Other Non-operating income	4,82,225	11,94,968
Total (Rs.)	<u>5,33,39,420</u>	<u>6,99,63,158</u>
Note - 9 Cost of Service		
Exhibitions		
Overseas	3,78,13,991	5,77,48,996
Domestic	1,51,31,429	1,72,65,691
Seminars, Conferences & Other Activities	4,65,44,665	6,98,08,088
Study Missions	4,52,688	19,79,732
Annual Awards	34,54,212	73,83,026
Cluster Projects	4,96,70,869	4,96,14,497
ACMA Centre of Excellence	20,86,015	6,27,506
Total (Rs.)	<u>15,51,53,869</u>	<u>20,44,27,537</u>
Note - 10 Employee Benefits Expenses		
Salaries and Wages	9,07,52,976	8,22,73,585
Contribution to -		
Provident and other Funds	50,99,613	45,37,784
Superannuation Scheme	58,41,589	53,37,085
Gratuity Fund Contribution to LIC	49,926	50,079
ESI Contribution	56,935	64,960
Staff Welfare Expenses	6,74,910	5,29,065
Gratuity Expenses	30,27,855	12,96,857
Leave Encashment Provision	35,81,600	17,34,373
Total (Rs.)	<u>10,90,85,404</u>	<u>9,58,23,788</u>

AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Note - 11 Other Expenses		
Publications	20,94,486	16,27,216
Rent & Taxes	54,16,946	41,29,537
Travelling & Conveyance	39,16,883	67,13,656
Insurance Charges	1,91,246	1,82,695
Repair & Maintenance	20,83,532	18,65,223
Legal and Professional Charges	30,15,342	16,28,994
Audit Fee	4,50,000	4,25,000
Administrative Expenses	1,94,63,738	1,96,29,928
Retainership Fee	1,59,62,748	1,20,18,098
Corporate Social Responsibilities	16,50,000	19,91,000
Study on Global Auto Components Aftermarket Industry - Market Dimensions and Addressable Opportunities	-	25,00,000
Study on Embracing the Discontinuities	50,00,000	-
Re-Structuring of ACMA	-	3,27,500
Study on Digital Transformation Roadmap	-	15,00,000
Study on Profiling & Bucketing of Auto Component Manufacturers based on their Financial Performance	3,75,826	-
Study on Monitoring and Enforcement of Standards for Auto Industry	-	26,49,705
Provision for Doubtful Debts	10,37,543	18,45,012
Loss on Sale of Assets	-	4,841
Assets Written-off	-	24,119
Accounts Receivable Written-off	2,90,750	-
Adjustment in respect of Previous Year	37,07,876	23,33,360
Bank Charges	73,225	85,304
Miscellaneous Expenses	12,91,485	13,54,042
Total (Rs.)	6,60,21,626	6,28,35,230

As per our Report of even date attached

For K.K. Khanna & Co.

Chartered Accountants

Firm Regn No.: 002221 N

sd/-

(K.K. KHANNA)

Partner

Membership No.: 007887

sd/-

(VINNIE MEHTA)

Secretary

DIN 08112007

sd/-

(SUNJAY KAPUR)

Vice President

DIN 00145529

sd/-

(DEEPAK JAIN)

President

DIN 00004972

Place : New Delhi

Date : 28th July, 2020



Automotive Component Manufacturers Association of India

The Capital Court, 6th Floor

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