

**AUDITOR'S REPORT &  
ANNUAL ACCOUNTS**

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**2020-2021**

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**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 31<sup>st</sup> March 2021, 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, 2021;
- (b) In the case of the Statement of Income & Expenditure, of the **surplus** for the year ended on that date; and

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, 2021 taken on record by the Managing Committee, none of the Managing Committee Member is disqualified as on 31st March, 2021 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.

sd/-

**(Sameep Khanna)**  
**Membership No. 500371**  
**Partner**

**K. K. Khanna & Co.,**  
**Chartered Accountants**  
**Firm Reg. No. 002221 N**  
**UDIN: 21500371AAAABU1332**

**Place: New Delhi**  
**Date: 17<sup>th</sup> July, 2021**

## **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, 2021 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, 2021, 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.

sd/-

**(Sameep Khanna)**  
**Membership No. 500371**  
**Partner**

**K. K. Khanna & Co.,**  
**Chartered Accountants**  
**Firm Reg. No. 002221 N**  
**UDIN: 21500371AAAABU1332**

**Place: New Delhi**  
**Date: 17<sup>th</sup> July, 2021**

# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	Note No.	AS AT 31.03.2021	AS AT 31.03.2020
<b>EQUITY AND LIABILITIES</b>			
<b>Funds</b>			
General	2.1	86,86,72,651	86,70,88,965
Earmarked Funds	2.2	68,85,901	1,11,69,700
Govt. Grant for UNIDO-ACMA-DHI Partnership Program	2.3	<u>3,46,98,522</u>	<u>43,98,777</u>
		<b>91,02,57,074</b>	<b>88,26,57,442</b>
<b>Non-Current Liabilities</b>			
Long Term Provisions	3	5,41,55,539	9,35,13,804
<b>Current Liabilities</b>			
Accounts Payable	4.1	2,53,51,691	3,64,59,834
Other Current Liabilities	4.2	3,36,22,262	5,23,45,251
Short Term Provisions	4.3	<u>78,59,894</u>	<u>1,86,09,455</u>
		<b>12,09,89,386</b>	<b>20,09,28,344</b>
<b>Total Equity and Liabilities (Rs.)</b>		<b><u>1,03,12,46,460</u></b>	<b><u>1,08,35,85,786</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	5.1	7,99,86,936	9,80,36,303
Deferred Tax Assets (Net)		92,10,404	60,17,429
Non-Current Investments	5.2	45,64,89,000	54,32,39,000
Long-Term Loans and Advances	5.3	<u>9,87,86,001</u>	<u>14,76,61,643</u>
		<b>64,44,72,341</b>	<b>79,49,54,375</b>
<b>Current Assets</b>			
Current Investment	6.1	7,55,00,000	-
Accounts Receivable	6.2	1,28,70,263	6,13,34,500
Cash and Cash Equivalents	6.3	17,61,49,258	11,97,97,201
Short-Term Loans and Advances	6.4	47,20,646	63,28,170
Other Current Assets	6.5	<u>11,75,33,952</u>	<u>10,11,71,540</u>
		<b>38,67,74,119</b>	<b>28,86,31,411</b>
<b>Total Assets (Rs.)</b>		<b><u>1,03,12,46,460</u></b>	<b><u>1,08,35,85,786</u></b>

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/-

**(SAMEEP KHANNA)**

Partner

Membership No.: 500371

sd/-

**(VINNIE MEHTA)**

Secretary

DIN 08112007

sd/-

**(SUNJAY KAPUR)**

Vice President

DIN 00145529

sd/-

**(DEEPAK JAIN)**

President

DIN 00004972

**Place : New Delhi**

**Date : 17<sup>th</sup> July, 2021**

**UDIN : 21500371AAAABU1332**

**AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA**  
**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	Note	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
<b>Income</b>			
Revenue from Operations	7	14,64,63,076	33,32,10,156
Other Income	8	<u>5,49,30,928</u>	<u>5,33,39,420</u>
<b>Total (Rs.)</b>		<u><b>20,13,94,004</b></u>	<u><b>38,65,49,576</b></u>
<b>Expenses</b>			
Cost of Services Provided	9	3,35,45,112	15,51,53,869
Employee Benefits Expense	10	9,66,61,187	10,90,85,404
Other Expenses	11	4,44,02,500	6,60,21,626
Depreciation		1,98,12,881	2,66,88,265
Tax Expenses:			
Current Tax for the year	60,00,000		1,20,00,000
Current Tax pertaining to earlier years	29,79,113		-
Deferred Tax	<u>(31,92,975)</u>	<u>57,86,138</u>	<u>(11,11,462)</u>
<b>Total (Rs.)</b>		<u><b>20,02,07,818</b></u>	<u><b>36,78,37,703</b></u>
<b>Excess of Income over Expenditure</b>		<u><b>11,86,186</b></u>	<u><b>1,87,11,873</b></u>
<b>Total (Rs.)</b>		<u><b>20,13,94,004</b></u>	<u><b>38,65,49,576</b></u>

As per our Report of even date attached

**For K.K. Khanna & Co.**

Chartered Accountants

Firm Regn No.: 002221 N

sd/-

**(SAMEEP KHANNA)**

Partner

Membership No.: 500371

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**Place : New Delhi**

**Date : 17<sup>th</sup> July, 2021**

**UDIN : 21500371AAAABU1332**

**AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA**  
**CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
<b>A. Cash flow from operating activities</b>		
Excess of income over expenditure before tax	69,72,324	2,96,00,411
Depreciation and amortisation on fixed assets in India	1,98,12,881	2,66,88,265
Profit on sale of fixed assets	(22,843)	(4,83,821)
Provision for Compensated Absences	3,90,886	35,81,600
Provision for Gratuity	14,69,008	30,27,855
Interest on investments	(5,03,56,369)	(5,03,62,192)
	<u>(2,17,34,113)</u>	<u>1,20,52,118</u>
Decrease in Ear-marked Fund	(42,83,799)	(18,63,672)
Adjustment of Grant received from Govt. for ACMA-UNIDO	3,02,99,745	(2,23,68,346)
<b>Operating Profit before working capital changes</b>	<u>42,81,833</u>	<u>(1,21,79,900)</u>
<b>Adjustments for changes in working capital :</b>		
(Increase)/Decrease in Accounts Receivable	4,84,64,237	(2,50,50,410)
(Increase)/Decrease in Other Current Assets	(1,63,62,411)	41,08,838
(Increase)/Decrease in Short-Term Loans and Advances	16,07,524	1,43,03,601
Increase/(Decrease) in Accounts Payable	(1,11,08,143)	34,76,372
Increase/(Decrease) in Current Liabilities	(1,87,22,989)	(1,85,93,490)
<b>Cash Generated From Operations</b>	<u>81,60,051</u>	<u>(3,39,34,989)</u>
Tax Paid	1,20,86,963	2,97,37,313
<b>Net Cash Flow/ (used in) Operating Activities</b>	<u>(39,26,912)</u>	<u>(6,36,72,302)</u>
<b>B. Cash Flow From Investing Activities :</b>		
Purchase of fixed assets	(18,12,704)	(2,55,01,522)
Impact of fixed deposits with bank and other institutions	1,12,50,000	(3,92,00,000)
Proceeds from Sale of Fixed Assets	72,033	7,54,584
Interest on investments	5,03,56,369	5,03,62,192
<b>Net Cash Flow/ (used in) Investing Activities</b>	<u>5,98,65,698</u>	<u>(1,35,84,746)</u>
<b>C. Cash Flow From Financing Activities :</b>		
Proceeds from Admission Fees	3,97,500	4,76,500
(Increase)/Decrease in Security Deposits	15,771	(27,744)
<b>Net Cash Flow/ (used in) Financing Activities</b>	<u>4,13,271</u>	<u>4,48,756</u>
<b>Net Increase / (Decrease) in Cash and Cash Equivalent</b>	<u>5,63,52,057</u>	<u>(7,68,08,292)</u>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<u>11,97,97,201</u>	<u>19,66,05,493</u>
<b>Cash and Cash Equivalent at the End of the year</b>	<u>17,61,49,258</u>	<u>11,97,97,201</u>

As per our Report of even date attached

**For K.K. Khanna & Co.**

Chartered Accountants

Firm Regn No.: 002221 N

sd/-

**(SAMEEP KHANNA)**

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DIN 00145529

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**(DEEPAK JAIN)**

President

DIN 00004972

**Place : New Delhi**

**Date : 17<sup>th</sup> July, 2021**

**UDIN : 21500371AAAABU1332**



# **AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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 Institute of 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 materialized.

#### **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 III 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 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.

#### **1.10 INCOME TAX**

Taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Taxes comprise 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.

#### 1.11 **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.

#### 1.12 **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.

#### 1.13 **GOVERNMENT GRANTS**

- a) Government sanctioned a grant of Rs.12 lakh under MAI Scheme during the year, out of which Rs. 4.77 lakh representing excess of expenditure over grant received were recoverable from Govt. Refer Note No. 6.5
- b) In FY 2020-21, Government sanctioned a grant of Rs. 481.89 lakh, out of which the Association utilized Rs.180.28 lakh for UNIDO-ACMA-DHI Partnership Program, Refer Note No. 2.3

#### 1.14 **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.

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

#### 1.16 **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) Compensated Absences

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

##### Compensated Absences

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, 2021	As at March 31, 2020
Opening defined benefit obligation	2,20,79,868	1,86,06,661
Current service cost	11,94,976	13,36,105
Past service cost	–	--
Interest Cost	15,01,431	14,23,410
Actuarial (gain) / loss	(3,76,643)	11,00,494
Benefits paid	(8,82,267)	(3,86,802)
<b>Closing defined benefit obligation</b>	<b>2,35,17,365</b>	<b>2,20,79,868</b>

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets	1,23,92,994	1,19,47,642
Expected return on plan assets	9,00,971	9,06,826
Actuarial Gain / (Loss)	(50,215)	(87,167)
Contribution by Employer	–	12,495
Benefits Paid	(8,82,267)	(3,86,802)
<b>Closing fair value of plan assets</b>	<b>1,23,61,483</b>	<b>1,23,92,994</b>

iii) Assets and liabilities recognized in the Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of funded obligation	2,35,17,365	2,20,79,868
Fair value of plan assets	1,23,61,483	1,23,92,994
<b>Net liability recognized in the Balance Sheet</b>	<b>(1,11,55,882)</b>	<b>(96,86,874)</b>

iv) Expenses recognized in the Income and Expenditure Account

Particulars	As at March 31, 2021	As at March 31, 2020
Current Service Cost	11,94,976	13,36,105
Past Service Cost	–	--
Interest on obligation	15,01,431	14,23,410
Expected return on plan assets	(9,00,971)	(9,06,826)
Net actuarial (gain)/ loss recognized during the year	(3,26,428)	11,87,661
<b>Expense recognized</b>	<b>14,69,008</b>	<b>30,40,350</b>

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

Particulars	As at March 31, 2021	As at March 31, 2020
Administered by Life Insurance Corporation of India	100%	100%

vi) Principal actuarial assumptions

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	6.80%	6.80%
Expected rate of return of plan assets	6.84%	7.27%
Expected salary increase rate	6.00%	6.00%
Mortality table	IALM (2012-14)	IALM (2012-14)

vii) Information in respect of year ended as on March 31, 2021 and last 4 years are as follows :

Particulars	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined benefit obligation	2,35,17,365	2,20,79,868	1,86,06,661	1,57,80,804	1,22,79,007
Fair value of plan assets	1,23,61,483	1,23,92,994	1,19,47,642	1,04,18,642	1,05,33,445
<b>Net Liability</b>	<b>(1,11,55,882)</b>	<b>(96,86,874)</b>	<b>(66,59,019)</b>	<b>(53,62,162)</b>	<b>(17,45,562)</b>

# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>EQUITY AND LIABILITIES</b>		
<b>Note - 2 FUNDS</b>		
<b>2.1 General</b>		
As per last Balance Sheet	86,70,88,965	84,79,00,592
Add : Admission Fees Capitalised	<u>3,97,500</u>	<u>4,76,500</u>
	86,74,86,465	84,83,77,092
Add:		
Surplus for the year transferred from Income and Expenditure Account	<u>11,86,186</u>	<u>1,87,11,873</u>
<b>Total (Rs.)</b>	<b><u>86,86,72,651</u></b>	<b><u>86,70,88,965</u></b>
<b>2.2 Earmarked Fund</b>		
<b>Fund for Cluster Projects</b>		
As per last Balance Sheet	1,11,69,700	1,30,33,372
Less:		
Amount Utilised during the year	<u>42,83,799</u>	<u>18,63,672</u>
<b>Total (Rs.)</b>	<b><u>68,85,901</u></b>	<b><u>1,11,69,700</u></b>
<b>2.3 Govt. Grant for UNIDO-ACMA-DHI Partnership Program</b>		
As per last Balance Sheet	43,98,777	2,67,67,123
Add:		
Grant received during the year	4,81,89,040	-
Interest on SB A/c	<u>1,39,028</u>	<u>-</u>
	5,27,26,845	2,67,67,123
Less:		
Grant utilised during the year	<u>1,80,28,323</u>	<u>2,23,68,346</u>
<b>Total (Rs.)</b>	<b><u>3,46,98,522</u></b>	<b><u>43,98,777</u></b>

# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

## Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Note - 3 NON CURRENT LIABILITIES</b>		
<b>Long Term Provisions</b>		
Provision for Taxation	3,06,13,078	7,65,80,798
Provision for Gratuity	96,86,874	66,59,019
Provision for Compensated Absences	1,38,55,587	1,02,73,987
<b>Total (Rs.)</b>	<b>5,41,55,539</b>	<b>9,35,13,804</b>
<b>Note - 4 CURRENT LIABILITIES</b>		
<b>4.1 Accounts Payable</b>		
Sundry Creditors	1,71,04,872	2,14,93,911
Others	82,46,819	1,49,65,923
<b>Total (Rs.)</b>	<b>2,53,51,691</b>	<b>3,64,59,834</b>
<b>4.2 Other Current Liabilities</b>		
Advance Membership Subscription	12,88,082	10,57,541
Un-utilised MAI Grant pending refund to Ministry of Commerce and Industry	-	15,00,001
Contribution from participating companies for ACMA-UNIDO Skilling Project	2,29,55,311	2,12,74,638
Employee Related Dues	-	19,83,415
Statutory Dues	27,26,768	51,91,415
Advance Collections for Projects / Reports	63,31,933	1,78,70,749
GST Due on Output Services - Credit Balance	3,20,168	34,67,493
<b>Total (Rs.)</b>	<b>3,36,22,262</b>	<b>5,23,45,251</b>
<b>4.3 Short Term Provisions</b>		
Provision for Taxation	60,00,000	1,20,00,000
Provision for Gratuity	14,69,008	30,27,855
Provision for Compensated Absences	3,90,886	35,81,600
<b>Total (Rs.)</b>	<b>78,59,894</b>	<b>1,86,09,455</b>

## AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

### Note - 5 NON-CURRENT ASSETS

#### 5.1 Property and Equipment consisting of the following:

<b>Gross Block</b>	<b>Building</b>	<b>Furniture &amp; Fixtures</b>	<b>Office Equipment</b>	<b>Vehicles</b>	<b>Office Renovation</b>	<b>Computer Equipment</b>	<b>Website</b>	<b>Software</b>	<b>Total</b>
Balance as at April 1, 2020	11,60,96,010	1,64,62,260	2,58,20,770	1,75,99,745	1,15,33,375	1,06,34,601	14,38,651	86,30,542	20,82,15,954
Additions	-	-	25,000	-	-	17,70,924	-	16,780	18,12,704
Disposals	-	15,250	-	18,96,304	-	15,21,705	-	-	34,33,259
<b>Balance as at March 31, 2021</b>	<b>11,60,96,010</b>	<b>1,64,47,010</b>	<b>2,58,45,770</b>	<b>1,57,03,441</b>	<b>1,15,33,375</b>	<b>1,08,83,820</b>	<b>14,38,651</b>	<b>86,47,322</b>	<b>20,65,95,399</b>
Accumulated Depreciation Balance as at April 1, 2020	6,14,86,400	98,44,921	1,23,11,310	71,01,930	73,39,353	69,85,064	13,25,392	37,85,281	11,01,79,651
Depreciation for the year	22,63,350	16,78,118	59,45,069	28,02,492	11,31,467	29,16,368	37,696	30,38,321	1,98,12,881
Disposals	-	15,250	-	18,96,304	-	14,72,515	-	-	33,84,069
<b>Accumulated Depreciation as at March 31, 2021</b>	<b>6,37,49,750</b>	<b>1,15,07,789</b>	<b>1,82,56,379</b>	<b>80,08,118</b>	<b>84,70,820</b>	<b>84,28,917</b>	<b>13,63,088</b>	<b>68,23,602</b>	<b>12,66,08,463</b>
<b>Net Block</b>									
Balance as at March 31, 2020	5,46,09,610	66,17,339	1,35,09,460	1,04,97,815	41,94,022	36,49,537	1,13,259	48,45,261	9,80,36,303
<b>Balance as at March 31, 2021</b>	<b>5,23,46,260</b>	<b>49,39,221</b>	<b>75,89,391</b>	<b>76,95,323</b>	<b>30,62,555</b>	<b>24,54,903</b>	<b>75,563</b>	<b>18,23,720</b>	<b>7,99,86,936</b>

**NOTE:**

Depreciation has been calculated as per the WDV Method laid down in Schedule III of the Companies 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 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>5.2 Non-Current Investments</b>		
Fixed Deposits with HDFC	2,50,00,000	7,90,00,000
Fixed Deposits with HUDCO	1,75,00,000	1,75,00,000
Fixed Deposits with LIC Housing Finance Ltd.	13,09,00,000	14,11,50,000
Fixed Deposits with PNB Housing Finance Ltd.	6,80,00,000	9,05,00,000
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	9,80,00,000
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
	<b>45,64,89,000</b>	<b>54,32,39,000</b>
<b>5.3 Long Term Loans and Advances</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Security Deposits	49,52,374	49,68,145
Rent Deposits	5,75,000	5,75,000
	<b>55,27,374</b>	<b>55,43,145</b>
<b>Other Loans and Advances</b>		
Tax Payments	9,32,58,627	14,21,18,498
	<b>9,32,58,627</b>	<b>14,21,18,498</b>
<b>Total (Rs.)</b>	<b>9,87,86,001</b>	<b>14,76,61,643</b>
<b>Note - 6 CURRENT ASSETS</b>		
<b>6.1 Current Investments</b>		
Fixed Deposits with HDFC	80,00,000	-
Fixed Deposits with PNB Housing Finance Ltd.	1,50,00,000	-
Fixed Deposits with Can Fin Home Finance Ltd.	5,25,00,000	-
<b>Total (Rs.)</b>	<b>7,55,00,000</b>	<b>-</b>
<b>6.2 Accounts Receivable</b>		
<b>Unsecured</b>		
Over Six Months		
Considered good	42,28,041	20,30,693
Considered doubtful	30,91,789	18,76,770
Others		
Considered good	86,42,223	5,93,03,807
Considered doubtful	15,269	-
	<b>1,59,77,321</b>	<b>6,32,11,270</b>
Less : Provision for Doubtful Debts	31,07,058	18,76,770
<b>Total (Rs.)</b>	<b>1,28,70,263</b>	<b>6,13,34,500</b>

# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

## Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>6.3 Cash and Cash Equivalents</b>		
Balance with Banks		
In Current Account	5,79,99,386	4,36,09,778
In Deposit with the maturity period of upto 12 months	5,55,00,000	-
In Deposit with the maturity period of over 12 months	6,26,00,000	7,61,00,000
Cash on hand	49,872	87,423
<b>Total (Rs.)</b>	<b>17,61,49,258</b>	<b>11,97,97,201</b>
<b>6.4 Short Term Loans and Advances</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Loans and Advances to Employees	8,78,956	4,58,911
Prepaid Expenses	22,07,282	17,17,315
Other Advances	16,34,408	41,51,944
<b>Total (Rs.)</b>	<b>47,20,646</b>	<b>63,28,170</b>
<b>6.5 Other Current Assets</b>		
Interest Accrued on Deposits	10,46,51,891	7,65,23,152
GST Due on Input Services - Debit Balance	1,00,20,824	1,25,12,682
Grant Receivable from Ministry of Commerce & Industry under MAI Scheme:		
(i) excess of utilisation over grant received under MAI Scheme	4,76,718	1,08,51,041
(ii) Grant Receivable from MOCI under MAI Scheme for Exporters	23,84,518	12,48,055
VRS Compensation	-	36,610
<b>Total (Rs.)</b>	<b>11,75,33,951</b>	<b>10,11,71,540</b>



# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

## Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

Particulars	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
<b>Note - 7 Revenue from Operations</b>		
<b>Revenue from Services Provided</b>		
Subscription	5,10,15,127	5,31,78,809
Exhibitions		
Overseas	-	4,89,71,068
Domestic	3,07,55,790	7,34,74,468
Seminars, Conferences & Other Activities	2,95,56,821	6,60,36,693
Study Mission	-	7,22,000
Advertisement Receipts	5,10,000	15,68,125
Annual Awards	37,30,000	44,83,093
Cluster Projects	2,86,86,000	8,28,36,000
ACMA Centre of Excellence	22,09,338	19,39,900
<b>Total (Rs.)</b>	<b>14,64,63,076</b>	<b>33,32,10,156</b>
<b>Note - 8 Other Income</b>		
Interest Income	5,03,56,369	5,03,62,192
Publications	2,99,554	17,00,291
Bad Debt Recovery	-	2,51,520
Profit on Sale of Assets	22,843	4,83,821
Accounts Payable Written-Back	9,57,773	59,371
Other Non-operating income	32,94,389	4,82,225
<b>Total (Rs.)</b>	<b>5,49,30,928</b>	<b>5,33,39,420</b>
<b>Note - 9 Cost of Service</b>		
Exhibitions		
Overseas	78,906	3,78,13,991
Domestic	38,77,481	1,51,31,429
Seminars, Conferences & Other Activities	88,36,734	4,65,44,665
Study Missions	-	4,52,688
Annual Awards	13,59,004	34,54,212
Cluster Projects	1,88,16,923	4,96,70,869
ACMA Centre of Excellence	5,76,064	20,86,015
<b>Total (Rs.)</b>	<b>3,35,45,112</b>	<b>15,51,53,869</b>
<b>Note - 10 Employee Benefits Expenses</b>		
Salaries and Wages	8,31,92,947	9,07,52,976
Contribution to -		
Provident and other Funds	50,63,917	50,99,613
Superannuation Scheme	57,15,706	58,41,589
Gratuity Fund Contribution to LIC	43,492	49,926
ESI Contribution	50,148	56,935
Staff Welfare Expenses	4,51,585	6,74,910
Gratuity Expenses	14,69,008	30,27,855
Leave Encashment Provision	6,74,384	35,81,600
<b>Total (Rs.)</b>	<b>9,66,61,187</b>	<b>10,90,85,404</b>

# AUTOMOTIVE COMPONENT MANUFACTURERS ASSOCIATION OF INDIA

Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021

Particulars	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
<b>Note - 11 Other Expenses</b>		
Publications	4,95,541	20,94,486
Rent & Taxes	37,64,698	54,16,946
Travelling & Conveyance	1,82,510	39,16,883
Insurance Charges	1,84,243	1,91,246
Repair & Maintenance	18,23,807	20,83,532
Legal and Professional Charges	28,95,597	30,15,342
Audit Fee	4,50,000	4,50,000
Administrative Expenses	1,43,28,032	1,94,63,738
Retainership Fee	1,42,87,786	1,59,62,748
Corporate Social Responsibilities	12,50,000	16,50,000
Study on Embracing the Discontinuities	-	50,00,000
Study on Profiling & Bucketing of Auto Component Manufacturers based on their Financial Performance	-	3,75,826
Study on Localisation Roadmap for Indian Automotive Sector	17,40,000	-
Provision for Doubtful Debts	23,56,384	10,37,543
Accounts Receivable Written-off	-	2,90,750
Adjustment in respect of Previous Year	-	37,07,876
Bank Charges	49,573	73,225
Miscellaneous Expenses	5,94,329	12,91,485
<b>Total (Rs.)</b>	<b>4,44,02,500</b>	<b>6,60,21,626</b>

As per our Report of even date attached

**For K.K. Khanna & Co.**

Chartered Accountants

Firm Regn No.: 002221 N

sd/-

**(SAMEEP KHANNA)**

Partner

Membership No.: 500371

sd/-

**(VINNIE MEHTA)**

Secretary

DIN 08112007

sd/-

**(SUNJAY KAPUR)**

Vice President

DIN 00145529

sd/-

**(DEEPAK JAIN)**

President

DIN 00004972

**Place : New Delhi**

**Date : 17<sup>th</sup> July, 2021**

**UDIN : 21500371AAAABU1332**



**Automotive Component Manufacturers Association of India**

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