

ANNUAL REPORT
(FINANCIAL YEAR-2023-24)

SANDHAR AUTO ELECTRIC SOLUTIONS PRIVATE LIMITED



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Sandhar Auto Electric Solutions Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sandhar Auto Electric Solutions Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 except for the matters stated in paragraph h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 the requirements of section 197(16) of the Act, as amended we report that company has not paid any managerial remuneration, Hence reporting as per Section 197(16) is not required.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The company does not have any pending litigations.
 - II. The Company had not entered into any long term contracts including derivative contracts.
 - III. There was no amount which was required to be transferred to investors education & protection fund.
 - IV.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever





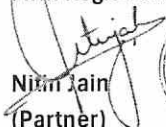
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- by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The company has not declared nor paid dividend during the year.
- VI. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software's:
- (a) In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of service organization, we are unable to comment whether audit trail feature of the following accounting software [operated by third-party service provider] was enabled and operated throughout the year for all relevant transactions recorded in the accounting software used for maintaining general ledger at the database level.
- (b) The feature of recording audit trail (edit log) facility was not enabled at the application level for the accounting software used for maintaining general ledger for part of the year as such trail was enabled in a phased manner from 18 July 2023 to 21 July 2023.
- (c) The Company has used accounting software for maintaining payroll records which is operated by a third-party service provider and based on the independent auditor's report of service organization, we are unable to comment whether the audit trail facility has operated throughout the year for all relevant transactions recorded in the said software.
- Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Serva Associates

Chartered Accountants

Firm Registration Number: 000272N


Nitin Jain
(Partner)



Membership Number: 506898

UDIN: 24506898BKERR7463

Place: Delhi

Date: 01 MAY 2024





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 to the Members of Sandhar Auto Electric Solutions Private Limited

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

We have audited the internal financial controls over financial reporting of **Sandhar Auto Electric Solutions Private Limited** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 ICAI 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding





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prevention or timely detection of unauthorised 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, 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

For Serva Associates

Chartered Accountants

Firm Registration Number: 000272N


Nalin Jain
(Partner)



Membership Number: 506898

UDIN: 24506898BKEQRR7463

Place: Delhi

Date: 01 MAY 2024





ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sandhar Auto Electric Solutions Private Limited

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i.
 - a(A). The company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and equipment.
 - A(B). The company has maintained proper records showing full particulars of intangible assets.
 - b. All the assets have been physically verified by the management during the year at which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. The company is not in possession of any immovable property in the nature of fixed assets hence the provision of para (i) (c) are not applicable.
 - d. The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
 - e. As represented by management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the company & no material discrepancies were reported on physical verification of the inventory during the year. The inventory has been taken as quantified, valued and certified by the management.
- iii. The Company has not granted any loans secured or unsecured to companies, firms, Limited liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act and hence provisions para (iii) are not applicable.
- iv. The Company has not granted any loan/advances to directors and parties covered under section 185 and 186 of the Companies Act, 2013 and hence provisions of paragraph (iv) are not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.





(b) According to the information and explanation given to us, there was no outstanding statutory dues which have been deposited on account of dispute with the authorities.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotment of shares in compliance with rules prescribed as per relevant act.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) That as represented by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties, where applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) The provisions of this para is not applicable to the company.

(b) Internal audit under section 138 read with rule 13 of company act is not applicable to the company therefore clause (xiv) (b) of the order is not applicable.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.





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- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 291.94 lacs during the financial year covered by our audit and Cash loss of Rs. 5.33 Lacs incurred in preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) CSR Provision under section 135 is not applicable on the company. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N


Nitin Jain
(Partner)



Membership Number: 506898

UDIN: 24506898BKEQRR7463

Place: Delhi

Date: 01 MAY 2024



Sandhar Auto Electric Solutions Private Limited

Balance Sheet As at 31 March 2024

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
Assets			
Non-Current Assets			
Property, Plant and Equipment	3	185.67	-
Capital Work -In- Progress	4	129.16	-
Intangible assets under development	4	186.00	-
Other Intangible Assets	3A	7.60	-
Deferred Tax Assets	7A	49.91	-
		558.34	-
Current Assets			
Inventories	5	34.45	-
Financial Assets	6		
- Cash And Cash Equivalents		10.00	0.48
- Trade Receivables		0.44	-
- Other Financial Assets		0.18	-
Other Current Assets	7	109.29	0.02
		154.36	0.50
Total Assets		712.70	0.50
Equity And Liabilities			
Equity			
Equity Share Capital	8	833.50	0.50
Other Equity	9	(259.86)	(5.33)
Total Equity		573.64	(4.83)
Non Current Liabilities			
Provisions	13	15.66	-
		15.66	-
Current Liabilities			
Trade Payables	10		
- Outstanding dues to micro and small enterprises		1.65	-
- Outstanding dues to parties other than micro and small enterprises		44.53	5.33
Financial Liabilities	11		
-Other Financial Liabilities		47.50	-
Other Current Liabilities	12	12.15	-
Provisions	13	17.57	-
Total Current Liabilities		123.40	5.33
Total Equity And Liabilities		712.70	0.50

The accompanying notes form an integral part of these financial statements

As per our Report of even date attached

For Serva Associates
Chartered Accountants
Firm's Registration Number: 000272N

Nitin Jain
Partner
Membership Number: 506898



For and on behalf of Board of Directors of
Sandhar Auto Electric Solutions Private Limited

Yatendra Singh Chauhan
Director
DIN 03555013

Gurvinder Jeet Singh
Director (Additional)
DIN 02129467

Place: New Delhi
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024



Sandhar Auto Electric Solutions Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
I Revenue			
Revenue from operations	14	0.75	-
Other Income	14A	0.02	-
Total Income		0.77	-
II Expenses			
Cost of raw materials consumed	15	-	-
Employee Benefit Expense	16	210.03	-
Depreciation and amortization expense	17	6.45	-
Other expenses	18	82.67	5.33
Total Expenses		299.15	5.33
III Loss before tax (I-II)		(298.38)	(5.33)
IV Tax expense:			
(a) Current tax		-	-
(b) Deferred tax	7A	48.87	-
Total tax expense (IV)		48.87	-
III (loss) for the year (I-II)		(249.51)	(5.33)
Other Comprehensive Income			
(A) Re-measurement (loss)/gain on defined benefit plan	18 A	(6.06)	-
Deferred tax credit/(expense) relating to above item		1.04	-
IV Other comprehensive Income for the year		(5.02)	-
V Total comprehensive loss of the period, net of tax		(254.53)	(5.33)
VI Earnings per share: (Face Value ₹ 10 per share)	19		
1) Basic (Amount in ₹)		(6.72)	(116.93)
2) Diluted (Amount in ₹)		(6.72)	(116.93)

The accompanying notes form an integral part of these financial statements
As per our Report of even date attached

For Serva Associates
Chartered Accountants
Firm's Registration Number: 000272N

Nitin Jain
Partner
Membership Number: 506898



For and on behalf of Board of Directors of
Sandhar Auto Electric Solutions Private Limited

Yatendra Singh Chauhan
Director
DIN 03555013

Gurvinder Jeet Singh
Director (Additional)
DIN 02129467

Place: New Delhi
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024



Sandhar Auto Electric Solutions Private Limited
Statement of Change in Equity for the year ended 31 March 2024
(Rupees in lacs, except share data, per share data and unless otherwise stated)

A. Equity Share Capital

Balance at the Beginning of the Reporting Period 01 April 2023	Changes in Equity Share Capital during the Period	Balance at the End of the Reporting Period 31 March 2024
0.50	833.00	833.50
Balance at the Beginning of the Reporting Period 01 April 2022	Changes in Equity Share Capital during the Period	Balance at the End of the Reporting Period 31 March 2023
-	0.50	0.50

B. Other Equity

Balance at the Beginning of the Reporting year ended 31 March 2023
Changes during the period
Balance at the End of the Reporting year ended 31 March 2023
Balance at the Beginning of the Reporting year ended 01 April 2023
Changes during the period
Share Application Money Pending Refund/Allotment
Balance at the End of the Reporting year ended 31 March 2024

Retained earnings	Total
-	-
(5.33)	(5.33)
(5.33)	(5.33)
(5.33)	(5.33)
(254.53)	(254.53)
(259.86)	(259.86)


The accompanying notes form an integral part of these financial statements
As per our Report of even date attached


For Serva Associates
Chartered Accountants
Firm's Registration Number: 000272N


Mitin Jain
Partner
Membership Number: 506898



**For and on behalf of Board of Directors of
Sandhar Auto Electric Solutions Private Limited**


Yatendra Singh Chauhan
Director
DIN 03555013


Gurvinder Jeet Singh
Director
DIN 02129467
(Additional)

Place: New Delhi
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024



Sandhar Auto Electric Solutions Private Limited
Cash Flow Statement for the year ended 31 March 2024
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
I Cash Flows From Operating Activities		
Loss before tax	(298.38)	(5.33)
Adjustments for:		
Interest income	(0.02)	-
Depreciation and amortisation expenses	6.45	-
Operating profit before working capital changes	(291.95)	(5.33)
Adjustments for:		
Increase in Trade Payables	40.85	5.33
Increase in Financial Liabilities	22.55	-
Increase in Other Liabilities	12.15	-
(Increase) in Trade Receivables	(0.44)	-
Increase in Provisions	27.17	-
(Increase) in Financial Assets	(0.18)	-
(Increase) in Other Assets	(88.52)	(0.02)
(Increase) in inventories	(34.45)	-
Cash used in operating activities	(312.82)	(0.02)
Less : Income tax paid	-	-
Net cash used in Operating Activities	(312.82)	(0.02)
II Cash Flows From Investing Activities		
Acquisition of property, plant & equipment Including CWIP	(510.68)	-
Interest received	0.02	-
Net cash Flow From Investing Activities	(510.66)	-
III Cash Flows From Financing Activities		
Proceeds From Issue of Share Capital	833.00	0.50
Proceeds From Share Application Money Received	-	-
Net cash flow from financing activities	833.00	0.50
Net increase in Cash & cash equivalents (I+II+III)	9.52	0.48
Cash & cash equivalents as at end of the period	10.00	0.48
Cash & cash equivalents as at the beginning of period	0.48	-
Net Change In Cash & Cash Equivalents	9.52	0.48

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For Serva Associates

Chartered Accountants

Firm's Registration Number: 000272N

Nitin Jain

Partner

Membership Number: 506898



For and on behalf of Board of Directors of

Sandhar Auto Electric Solutions Private Limited

Yatendra Singh Chauhan

Director

DIN 03555013

Gurvinder Jeet Singh

Director

DIN 02129467

(Additional)

Place: New Delhi
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024

Place: Gurugram
Date : 01 May 2024



Note 1: Corporate Information

Sandhar Auto Electric Solutions Private Limited is a Private Limited Company incorporated in India on 06 January 2022 under the Provision of Companies Act 2013. The Company is incorporated with the objective of manufacturing, assembling, installations, commissioning, supply, trading of parts/ components of Battery Electric Vehicles, Hydrogen Fuel Cell Vehicles, Bio Fuel based technology Vehicle and any other Advanced Automotive Technology Vehicles and warehousing of all kinds of components, spare parts related to the above. The registered office of the company is located at Plot No. 13, Sector-44, Gurugram-122002.

Note 2:

Statement of Compliance: In accordance with the notification issued by Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 29 July 2020, the date of incorporation.

Basis of Preparation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 and relevant presentation requirements of the Companies Act 2013. The financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in ₹ and all values are rounded to the nearest Lacs upto two decimal places except otherwise stated.

Note 2.1: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimates and Assumptions:

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

Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

b) Current versus non-current classification

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

Assets:

An asset is treated as current when it is:

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

Liabilities:

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

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

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



c) Property, Plant and Equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation: Depreciation is to be provided using the Straight Line Method as per useful life specified in schedule II to the Companies Act, 2013. Depreciation is calculated on a pro rata basis from the date of additions. On assets sold, discarded, etc. during the year, depreciation is provided up to the date of sale/discard. Further, the Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined separately. The identification of significant components is matter of technical judgement and is to be decided on case to case basis; wherever applicable.

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is to be recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment to be recognised in statement of profit and loss as and when incurred.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

d) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company to be measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Service concession arrangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

e) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

g) Derivative (Forward contract)

The company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately

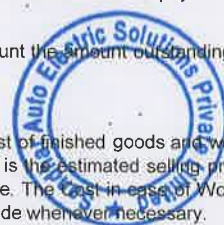
h) Revenue Recognition

Revenue to be recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue to be measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Other income: Other income comprises interest income which is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first in, first out basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The cost in case of Work-in-Progress and finished goods to be inclusive of allocable manufacturing overheads. The Provision for obsolescence to be made whenever necessary.



j) **Leases**

Finance lease

Leases of property, plant and equipment are classified as finance leases where the lessor has substantially transferred all the risks and rewards of ownership to the Company.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Indian Accounting Standard (Ind AS) 116, Leases, was notified as part of the Companies (Indian Accounting Standards) (Amendment) Rules, 2019, issued by the Ministry of Corporate Affairs, Government of India, vide notification dated March 30, 2019. These Rules came into force w.e.f. April 1, 2019. Accordingly, Ind AS 116, comes into effect in respect of annual reporting periods beginning on or after 1st April, 2019.

k) **Employee's Benefits**

Short Term Employee Benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions paid/payable towards Provident Fund are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

Other Long Term Employee Benefits

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during the service, on early retirement, on withdrawal of scheme, at resignation by employee and upon death of employee. The scale of benefits is determined based on the seniority and the respective employee's salary. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.



I) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Decommissioning costs

Liability for decommissioning costs is provided for those lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. Provision for decommissioning costs is provided at the present value of expected costs to settle the obligation using discounted cash flows and is recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognised in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

m) Financial instruments

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

The category applies to the Company's trade and other receivables, cash and cash equivalents, security deposits and other loans and advances, etc.

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

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Equity instruments

All equity investments in the scope of Ind AS 109 are measured at fair value.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

De-recognition

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

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, security deposits received etc.



Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

De-recognition

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

n) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company to be follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it to be recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

o) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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



q) **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

r) **Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s) **Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

t) **Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



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Sandhar Auto Electric Solutions Private Limited

Notes to financial statements for the year ended 31 March 2024

(All amounts are in lakh ₹ unless otherwise stated)

Note 3: Property, Plant and Equipment

Particulars	Building	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Total
Gross Carrying Value (Deemed Cost)						
Additions made during the year	4.13	139.95	20.34	24.27	3.25	191.94
Disposals/ adjustments during the year	-	-	-	-	-	-
As at 31 March 2024	4.13	139.95	20.34	24.27	3.25	191.94
Accumulated depreciation						
Depreciation charge for the year	0.03	4.56	0.86	0.42	0.40	6.27
Disposals/ adjustments during the year	-	-	-	-	-	-
As at 31 March 2024	0.03	4.56	0.86	0.42	0.40	6.27
Net Carrying Value						
As at 31 March 2024	4.10	135.30	10.48	23.85	2.85	185.67



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Sandhar Auto Electric Solutions Private Limited

Notes to financial statements for the year ended 31 March 2024

(All amounts are in lakh ₹ unless otherwise stated)

Note 3A: Intangible Assets

Particulars	Intangible Asset	Total
Gross Carrying Value (Deemed Cost)		
Additions made during the period	7.78	7.78
Disposals/ adjustments during the period	-	-
As at 31 March 2024	7.78	7.78
Accumulated depreciation		
As at 1 April 2022		
Depreciation charge for the period	0.18	0.18
Disposals/ adjustments during the period	-	-
As at 31 March 2024	0.18	0.18
Net Carrying Value		
As at 31 March 2024	7.60	7.60



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Sandhar Auto Electric Solutions Private Limited
Notes to financial statements for the year ended 31 March 2024
(All amounts are in lakh ₹ unless otherwise stated)

Note 4 : The details of Capital work in progress is as follows:

	As at 31 March 2024	As at 31 March 2023
Capital work in progress	315.16	-
	315.16	-

a) Breakup of Capital Work in Progress is as follows:

	As at 31 March 2024	As at 31 March 2023
Plant & Machinery	129.16	-
Intangible assets under development	186.00	-
	315.16	-



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Note 5 : Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials (at cost)	23.04	-
Stores and spares (at cost)	11.41	-
Total inventories at the lower of cost and net realisable value	34.45	-

Note 6 : Financial Assets

6a. Cash And Cash Equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with Banks:-		
On Current Accounts	10.00	0.48
	10.00	0.48

a) For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

	As at 31 March 2024	As at 31 March 2023
Balances with Banks:-		
On Current Accounts	10.00	0.48
	10.00	0.48

Note 6b : Other Financial Assets

	As at 31 March 2024	As at 31 March 2023
Security Deposits	0.18	-
	0.18	-
Non Current	-	-
Current	0.18	-

a) The Company has determined its security deposits not to be in the nature of loans and accordingly have been classified as part of other financial assets.

Note 6c: Trade Receivables

	As at 31 March 2024	As at 31 March 2023
Trade Receivables Considered Good- Unsecured	0.44	-
	0.44	-

Trade Receivables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	0.44	-	-	-	-	0.44
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	-	-	-	-	-
Net Trade receivables	-	-	-	-	-	-



Note : 7A Income Taxes

a) The major components of income tax expense for the years ended 31 March 2024.

	As at 31 March 2024	As at 31 March 2023
Tax expense		
Current tax	-	-
Deferred tax	(49.91)	-
Income tax expense reported in the statement of profit or loss	(49.91)	-

b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 30 April 2023.

	As at 31 March 2024	As at 31 March 2023
Accounting profit before tax from continuing operations	(298.38)	-
Accounting profit before income tax	(298.38)	-
At India's statutory income tax rate of 17.16%	(51.20)	-
Others	1.29	-
At the Income tax rate of 17.16%	(49.91)	-
Income tax expense reported in the statement of profit and loss	(49.91)	-
	(0.00)	-

c) Deferred tax:

	As at 31 March 2024	As at 31 March 2023
Deferred tax assets relates to the following:		
Carry forward tax loss and Unabsorbed depreciation	45.71	-
Employee Benefits	5.70	-
	51.41	-
Deferred tax liability		
Property, Plant and equipment and intangible assets	1.50	-
	1.50	-
Total Deferred Tax Assets/(liabilities) (Net)	49.91	-
Recognised in statement of profit and loss	48.87	-
Recognised in other comprehensive income	1.04	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and

Note 7 : Other Current Assets

	As at 31 March 2024	As at 31 March 2023
Balance With Statutory/ Government Authorities	86.38	0.02
Prepaid Exp.	0.29	-
Advance to Employees	1.48	-
Other Advance	0.26	-
Expenses Recoverable	0.13	-
Capital Advance	20.75	-
	109.29	0.02
Non Current	-	-
Current	109.29	0.02



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Note 8 : Share Capital

Authorised Share Capital

1,50,00,000 equity shares of Rs 10 each**

Issued, subscribed and fully paid up

83,35,000 equity shares of Rs 10 each**

	As at 31 March 2024	As at 31 March 2023
1,50,00,000 equity shares of Rs 10 each**	1,500 00	500 00
	1,500 00	500 00
83,35,000 equity shares of Rs 10 each**	833 50	0 50
	833 50	0 50

a) Reconciliation of authorised, issued and subscribed share capital:

Reconciliation of authorised share capital as at year ended 31 March 2024 :

Balance at the Beginning of the period

Equity shares issued during the period

Balance as on 31 March 2024

	No. of shares**	(Amount)
Balance at the Beginning of the period	50,00,000	500 00
Equity shares issued during the period	1,00,00,000	1,000 00
Balance as on 31 March 2024	1,50,00,000	1,500 00

Reconciliation of authorised share capital as at year ended 31 March 2023 :

Balance at the Beginning of the period

Equity shares issued during the period

Balance as on 31 March 2023

	No. of shares**	(Amount)
Balance at the Beginning of the period	50,00,000	500 00
Equity shares issued during the period	50,00,000	500 00
Balance as on 31 March 2023	50,00,000	500 00

ii. Reconciliation of issued and subscribed share capital as at year ended 31 March 2024 :

Balance at the Beginning of the period

Equity shares issued during the period

Balance as on 31 March 2024

	No. of shares**	(Amount)
Balance at the Beginning of the period	5,000	0 50
Equity shares issued during the period	83,30,000	833 00
Balance as on 31 March 2024	83,35,000	833 50

Balance at the Beginning of the period

Equity shares issued during the period

Balance as on 31 March 2023

	No. of shares**	(Amount)
Balance at the Beginning of the period	5,000	0 50
Equity shares issued during the period	5,000	0 50
Balance as on 31 March 2023	5,000	0 50

b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholder holding more than 5 percent shares in the company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares**	% holding	No. of shares**	% holding
Sandhar Technologies Limited	83,34,999	99.99%	4,999	99.99%
Mr Jayant Davar	1	0.01%	1	0.01%

Details of shares held by promoters

As at 31 March 2024

S. No.	Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the period
1	Sandhar Technologies Limited Equity shares of ₹10 each fully paid	4,999	83,30,000	83,34,999	100.00%	100.00%
2	Mr Jayant Davar* Equity shares of ₹10 each fully paid	1	-	1	0.00%	-
		5,000	83,30,000	83,35,000	100%	1.00%

As at 31 March 2023

S. No.	Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the period
1	Sandhar Technologies Limited Equity shares of ₹10 each fully paid	-	4,999	4,999	99.98%	99.98%
2	Mr Jayant Davar* Equity shares of ₹10 each fully paid	-	1	1	0.02%	0.02%
		-	5,000	5,000	100%	100%

* Mr. Jayant Davar is holding shares in the capacity of nominee shareholder.

** Number of Shares are given



Note 9 : Other equity (Refer Note 'a')

Retained Earnings

Balance at the beginning of the year

Loss for the year

Balance at the end of the year

As at
31 March 2024

As at
31 March 2023

(5.33)

(254.53)

(259.86)

(5.33)

(5.33)

Note:

a) For movement during the year in other equity, refer "Statement of Change in Equity"

Note 10 : Trade Payable

As at
31 March 2024

As at
31 March 2023

Total outstanding dues of micro enterprises and small enterprises

1.65

-

Total outstanding dues of creditors other than micro enterprises and small enterprises

44.53

5.33

46.18

5.33

Trade Payables ageing schedule as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	1.65	-	-	-	1.65
(ii) Others	44.42	0.11	-	-	-	44.53
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

Trade Payables ageing schedule as on 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	0.00	5.23	-	-	-	5.23
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

a) Trade payables to Sandhar Technologies Ltd, a related party, amounts to Rs.0.0893 Lacs as at 31 March 2024 (31st March 2023 : Rs.5.10 Lacs).



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Note 11 : Financial Liabilities

	As at 31 March 2024	As at 31 March 2023
Creditor for Capital Goods	24.95	-
Payable to employees	22.55	-
	47.50	-
Current	47.50	-
Non Current	-	-

Note 12 : Other Current Liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory Dues	12.15	-
	12.15	-

Note 13 : Provisions

	As at 31 March 2024	As at 31 March 2023
Provision for Employee Benefits		
Compensated Absences	24.89	-
Gratuity	8.34	-
	33.23	-
Current	17.57	-
Non Current	15.66	-



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Note 14 : Revenue from Operations

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Sale of products*	0.75	-
	<u>0.75</u>	<u>0</u>

*This Revenue is related to sample sales made during the year

Note 14A : Other Income

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Other income	0.02	-
	<u>0.02</u>	<u>-</u>

Note 15: Cost of Materials Consumed

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Inventories at the beginning of the year	-	-
Add: Purchases	23.04	-
	<u>23.04</u>	<u>-</u>
Less: Inventory at the end of the year	23.04	-
	<u>-</u>	<u>-</u>

Note 16 : Employee Benefit Expense

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Salaries, Wages and Bonus	182.67	-
Contribution to provident and other funds	9.56	-
Gratuity Expenses	2.27	-
Staff Welfare	15.53	-
	<u>210.03</u>	<u>-</u>

Note 17 : Depreciation & Amortization Costs

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Depreciation Of Property, Plant And Equipment	6.27	-
Amortisation Of Intangible Assets	0.18	-
	<u>6.45</u>	<u>-</u>



Note 18 : Other Expenses

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Rent	19.33	-
Rates and taxes	8.46	5.11
Prototype Development Charges	25.11	-
Testing & Inspection Fee	2.30	-
Auditor's Remuneration (Refer below)	0.30	0.10
Legal and Professional	3.89	0.12
Travelling and Conveyance	17.35	-
Miscellaneous Expenses	0.57	-
Power & Fuel	0.11	-
Repairs & Maintenance - Others	5.00	-
Insurance	0.25	-
	82.67	5.33

a) Details of payment made to auditors is as follows:

Payment to Auditors

- Statutory Audit	0.10	0.10
- Other Services	0.20	-
	0.30	0.10

Note 18A. Components of other comprehensive income

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Re-measurement (gain)/loss on defined benefit plans	6.06	-
Tax impact on re-measurement gain on defined benefit plans	1.04	-
	5.02	-

Note 19 : Earnings Per Share (EPS)

	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Net (Loss) after tax as per Statement of profit and loss	(249.51)	(5.33)
Weighted average number of equity shares for basic and diluted EPS (in numbers)	37.13	0.05
Basic/Diluted Earnings per share (in Rupees)	(6.72)	(116.93)



20. Ratios

Ratio	Numerator	Denominator	For the year ended 31 March 2024	For the year ended 31 March 2023	% Variance	Reason for variance (Mandatorily required if variance exceeds 25%)
Current ratio	Total current assets	Total current liabilities	1.25	€ .09	1245.56%	
Debt-equity ratio	Total Debt	Shareholder's equity	-	-	-	
Debt service coverage ratio	Net profit after tax (excluding Other Comprehensive Income)+ Depreciation & amortizations +Interest on loans+Loss on sale of PPE	Total amount of interest, lease payments & principle repayments of loan payable or paid during the period	-	-	0.00%	
Return on equity ratio	Net profit after tax*100	Average Shareholder's equity (Opening inventory+closing inventory)/2	(0.89)	2.21	-140.55%	That the company has not started commercial operations during the year and the previous year numbers are not comparatives
Inventory turnover ratio	Cost of goods sold	Average Account Receivables (Opening+Closing)/2	-	-	0.00%	
Trade receivables turnover ratio	Total Net Revenue	Average Account Payables (Opening+Closing)/2	-	-	0.00%	
Trade payables turnover ratio	Total Purchases	Working capital (Current Assets-Current liabilities)	0.89	-	0.00%	
Net Capital turnover ratio	Total Net Revenue from operations	Net Revenue from operations	-	-	0.00%	
Net Profit ratio	Net Profit after tax*100	Capital Employed (Tangible Net worth+ Total Debt+ Deferred tax liability)	-	-	0.00%	
Return on capital employed	Earning Before interest and Tax	Average Operating Assets (Current Assets)	(0.52)	1.10	-147.14%	
Return on Investment	Net Operating Income(EBIT)		(3.87)	(21.52)	-82.04%	

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Note 21 : Related party transactions

a) List of related parties

Name of Related Party	Nature of relationship
Sandhar Technologies Limited	Holding Company

b) Transactions with related parties

Name of Related Party	Relationship	Nature of Transaction	For the year ended 31 March 2024	For the period from 06 January 2022 to 31 March 2023
Sandhar Technologies Limited	Holding Company	Allotment of equity share capital	833.00	0.50
		Expenses incurred on behalf	39.68	5.10
		Rent	20.78	-
		Capital Asset	128.18	-

c) Outstanding balance as at period end

Name of Related Party	Relationship	Nature of Transaction	As at 31 March 2024	As at 31 March 2023
Sandhar Technologies Limited	Holding Company	Investment in equity share capital	833.50	0.50
		Trade Payable	0.09	5.10

c) Terms and conditions of transactions with related parties

All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party payables.



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Sandhar Auto Electric Solutions Private Limited**Notes to financial statements for the year ended 31 March 2024**

(Rupees in lacs, except share data, per share data and unless otherwise stated)

22. Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2024	As at 31 March 2023
(a) The principal amount remaining unpaid to any supplier as at the end of the year	1.65	-
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	-	-
- Interest paid	-	-
- Payment to Suppliers	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the Interest specified under the MSMED Act.	-	-
(e) Amount of Interest accrued and remaining unpaid at the end of the year	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

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Note 23 : Fair values

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

a) Fair value of financial assets:

	Carrying values As at 31 March 2024	Fair values As at 31 March 2024	Carrying values As at 31 March 2023	Fair values As at 31 March 2023
Financial assets measured at amortised cost				
Cash and cash equivalents* (Refer Note 3)	10.00	10.00	0.48	0.48
Trade receivables	0.44	0.44	-	-
Security Deposits	0.18	0.18	-	-
	10.62	10.62	0.48	0.48

b) Fair value of financial liabilities:

	Carrying values As at 31 March 2024	Fair values As at 31 March 2024	Carrying values As at 31 March 2023	Fair values As at 31 March 2023
Financial liabilities measured at amortised cost				
Trade Payable* (Refer Note 6)	46.18	46.18	5.33	5.33
Borrowings	-	-	-	-
Other financial liabilities (including lease liability)	47.50	47.50	-	-
Total	93.68	93.68	5.33	5.33

*Management has assessed that cash and cash equivalents, trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

c) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

All financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



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Note 24 : Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024

Particulars	As at 31 March 2024	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Cash and cash equivalents*	10.00	-	-	-
Trade receivables	0.44	-	-	-
Security Deposits	0.18	-	-	-
Total	10.62	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2024

Particulars	As at 31 March 2024	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Financial liabilities measured at amortised cost				
Trade Payable*	46.18	-	-	-
Other financial liabilities (including lease liability)	47.50	-	-	-
	93.68	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023

Particulars	As at 31 March 2023	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Financial assets measured at amortised cost				
Cash and cash equivalents*	0.48	-	-	-
Total	0.48	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2023

Particulars	As at 31 March 2023	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Financial liabilities measured at amortised cost				
Trade Payable*	5.33	-	-	-
Creditors for capital expenditure	-	-	-	-
	5.33	-	-	-

* Management has assessed that cash and cash equivalents, trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

There have been no transfers between Level 1 and Level 2 during the period.



Note 25 : Financial risk management objectives and policies

The board provides written principles for overall risk management, as well as policies covering specific areas, such as credit risk and investment of excess liquidity.

The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk borrowings, short term deposits and derivative financial instruments.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to interest risk.

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Company is not exposed to foreign currency sensitivity because Company does not have any outstanding foreign currency exposure as on 31 March 2024.

A. Credit Risk

There is no significant credit risk associated the Company, as the Company has not commenced its commercial operation and as such Company does not have any Trade Receivables.

B. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 March 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	46.18	-	-	-	46.18
Other financial liabilities (including lease liabilities)	-	47.50	-	-	-	47.50
Total	-	93.68	-	-	-	93.68
As at 31 March 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	5.33	-	-	-	5.33
Total	-	5.33	-	-	-	5.33



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Sandhar Auto Electric Solutions Private Limited

Notes to financial statements for the year ended 31 March 2024

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Note 26: Employee Benefits

a) The Company makes contribution towards Employees Provident Fund and Employee's State Insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised the following amount in the Statement of profit and loss account under company's contribution to defined contribution plan.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's Contribution to Provident Fund & Other Funds*	9.56	-
Employer's Contribution to Employee State Insurance	-	-

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

h) Defined Benefit Plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. The method is used in following cases :-

i) Gratuity

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company makes provision of such gratuity asset or liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method in accordance with Ind As 19.

ii) Leave Encashment

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 60 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

c) Movement of defined benefit obligation :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Present value of obligation		
March 31, 2023	0.00	0.00
Current service cost	2.27	4.32
Interest expense/ (income)		
Total amount recognised in profit or loss	2.27	4.32
Remeasurements		
Loss due to experience	6.06	21.27
Total amount recognised in OCI	6.06	21.27
Benefits Paid		(0.70)
March 31, 2024	8.34	24.89

d) Net Defined Benefit Cost/(Income) Included in the Statement of Profit & Loss

7. Net Defined Benefit Costs (Income) Incurred in the Statement of Profit & Loss				
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2023-24	2022-23	2023-24	2022-23
i) Service Cost	2.27	-	4.32	-
	2.27	-	4.32	-

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Sandhar Auto Electric Solutions Private Limited

Notes to financial statements for the year ended 31 March 2024

(Rupees in lacs, except share data, per share data and unless otherwise stated)

e) Amount Included on account of measurement in Gratuity Valuation - OCI

Other Comprehensive Income (OCI)

Gratuity (Unfunded)	
2023-24	2022-23
6.06	-

f) Actuarial Assumptions

The significant actuarial assumptions were as follows :

	March 31, 2024	March 31, 2023
Discount rate	7.23%	-
Salary growth rate	5.00%	-
Mortality	100% of IALM (2012 - 14)	-
Withdrawal rate		-
Upto 30 Years	10.00%	-
From 31 to 44 years	3.00%	-
Above 44 years	1.00%	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

	Change in assumption		Impact on defined benefit obligation			
			Increase by		Decrease by	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Gratuity						
Discount rate	0.50%	0.50%	(0.54)	-	0.58	-
Salary growth rate	0.50%	0.50%	0.59	-	(0.55)	-
Leave Encashment						
Discount rate	0.50%	0.50%	(0.53)	-	0.56	-
Salary growth rate	0.50%	0.50%	0.58	-	(0.53)	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

h) Defined benefit liability

The expected maturity analysis of undiscounted gratuity is as follows :

	Gratuity (Unfunded)				Leave Encashment (Unfunded)			
	As March 31, 2024	At March 31, 2023	As March 31, 2024	At March 31, 2023	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023
Less than a year	0.23	-	-	-	17.34	-	-	-
Between 1-2 years	0.17	-	-	-	0.26	-	-	-
Between 2-3 years	0.14	-	-	-	0.20	-	-	-
Between 3-4 years	0.11	-	-	-	0.14	-	-	-
Between 4-5 years	0.13	-	-	-	0.14	-	-	-
Between 5-6 years	0.13	-	-	-	0.14	-	-	-
Beyond 6 years	7.44	-	-	-	6.67	-	-	-
Total	8.34	-	-	-	24.89	-	-	-

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Sandhar Auto Electric Solutions Private Limited

Notes to financial statements for the year ended 31 March 2024

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Note 27 : Commitments and contingencies

a) Capital commitment

Capital Commitments outstanding as at 31 March 2024 is Rs. 222.98 Lacs (31st March 2023: NIL).

b) Contingent liabilities

There are no Contingent liabilities outstanding as at 31 March 2024.

Note 28 : Leased Assets

a) Operating lease taken: NIL

Lease rental payments recognized in the statement of profit and loss are Rs.NIL

b) Operating lease given: NIL

c) Finance lease : NIL

Note 29:

i) Earnings in foreign exchange - NIL

ii) Expenditure in foreign currency - NIL

Note 30 : Other information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company did not have any transactions with Companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years / period.

(v)) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

(ix) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(x) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company does not have any working capital loan and it is not filing any statement of inventories and trade receivables as per covenants stated in sanction letter to the banks for working capital loan.

(xii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

As per our Report of even date attached

For Serva Associates

Chartered Accountants

Firm's Registration Number: 000272N

Nitin Jain

Partner

Membership Number: 506898



For and on behalf of Board of Directors of

Sandhar Auto Electric Solutions Private Limited

(Yatendra Singh Chauhan)

Director

DIN 03555013

Gurvinder Jeet Singh

Director

DIN 02129467



Place: New Delhi

Date : 01 May 2024

Place: Gurugram

Date : 01 May 2024

Place: Gurugram

Date : 01 May 2024