ANNUAL REPORT
(STANDALONE & CONSOLIDATED)
(2021-2022)

(Sandhar Automotive Systems Private Limited)

Independent Auditor's Report

To The Members of Sandhar Automotive Systems Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Sandhar Automotive Systems Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the **Loss** (financial performance including other 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 financial statements in accordance with the Standards on Auditing (SAs) 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 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 financial statements under the provisions of the Act and the Rules made thereunder, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone 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 Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Responsibility of Management and Those Charged with Governance 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 financial statements that give a true and fair view of the financial position, financial performance, total 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

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accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 financial statements.

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

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

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

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

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Other Matter

The audited financial statements of the company for the corresponding previous year ended March 31, 2021 included in these financial statements have been audited by the predecessor auditor whose audit report dated May 20, 2021 bearing UDIN 21083689AAAACJ6202 expressed an unmodified opinion on those audited financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change 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 financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 39 to the accounts, 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, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the Note 39 to the accounts, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

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Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures that has 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) & (b) above, contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696
UDIN: 22073696AJCIME3306

Place of Signature: New Delhi
Date: 17.05.2022

Annexure 'A' To the Independent Auditors' Report of even date on the Standalone financial statements of Sandhar Automotive Systems Private Limited

The Annexure referred to in Paragraph 1 under 'Report on other legal and regulatory requirements' section of Independent Auditors Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

i) In respect of Property, Plant & Equipment:

a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(B)The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified at regular intervals. In accordance with this programme, all fixed assets were verified during the year and no material discrepancies were noticed on such verification.In our opinion, such periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and records examined by us, the Company does not hold any immovable property. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

ii) In respect of its inventory:

a) On the basis of information and explanation provided by the management, inventories have been physically verified by the management during the year. In our opinion the frequency of physical verification followed by the Management is reasonable. According to the information and explanation given to us, no discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on physical verification.

b) According to the information and explanations given to us and the records examined by us, the Company has not been sanctioned working capital limits during the year in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

iii) According to the information and explanations given to us, the Company has neither made any investments nor provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.

iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

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v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2016 dated July 14, 2016 & December, 2017 respectively to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.

vii) (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues in respect of statutory dues referred to in sub-clause (vii)(a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

ix) (a) In our opinion and according to the information and explanations given to us, the Company has no loans or other borrowings and not liable to pay any interest thereon to any lender as at reporting date. The Company has repaid without any default the outstanding loan from related parties during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans. Accordingly, the provisions of clause 3(Ix)(c) of the Order are not applicable.

(d) According to the information and explanations given to us, the Company has not raised any funds on short-term basis. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) (a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.

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xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.

xiii) In our opinion and according to the information and explanations given to us,, all transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further in pursuance of section 177, Company being a private company is not required to form audit committee and accordingly the provisions of section 177 are not applicable.

xiv) (a) In our opinion and based on our examination, the Company is not required to have an internal audit system as per provision contained in Section 138 of Companies Act 2013. However, the Company has internal audit system in place which is commensurate to the size of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.

xvi) (a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, provisions of clause 3 (xvi) (a) to (c) of the order are not applicable.

(b) According to the information and explanations given to us, there are no core investment company (CIC) within the group (as defined in core investment companies (Reserve Bank) Direction, 2016). Accordingly, provision of clause 3(xvi)(d) of the order are not applicable.

xvii) In our opinion and according to information and explanations given to us, the Company has incurred cash losses amounting to ₹ 177.83 lakhs during the current financial year and ₹ 168.48 lakhs in the immediately preceding financial year.

xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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

B.R. & CO. NEW DELHI CHARTERED ACCOUNTANTS 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) The provision of section 135 of Companies Act are not applicable to the company, accordingly the provision of clause (xx)(a) & (b) of the order are not applicable to the company.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

Agarwal

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696
UDIN: 22073696AJCIME3306

Place of Signature: New Delhi
Date: 17.05.2022

Annexure 'B' to the Independent Auditors' Report of even date on the Standalone Financial Statements of Sandhar Automotive Systems Private Limited

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

We have audited the internal financial controls with reference to standalone financial statements of **Sandhar Automotive Systems Private Limited ("the Company")** as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Standalone financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696
UDIN: 22073696AJCIME3306

Place of Signature: New Delhi
Date: 17.05.2022

Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Standalone Balance Sheet as at March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Particulars	Note No.	As At March 31, 2022	As At March 31, 2021
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	3	1,685.93	1,862.32
(b) Capital work-in-progress	4	-	54.60
(c) Other Intangible Assets	5	1.12	2.22
(d) Financial Assets			
(i) Investments	6	0.50	-
(ii) Other Financial Assets	7	17.65	16.55
(e) Deferred Tax Assets (net)	9	267.13	263.38
(f) Non-Current Tax Assets (Net)	8	0.63	0.80
(g) Other Non-Current Assets	13	-	0.68
Total Non-Current Assets		**1,972.96**	**2,200.55**
Current Assets			
(a) Inventories	10	631.38	47.76
(b) Financial Assets			
(i) Trade Receivables	11	439.48	53.46
(ii) Cash and Cash Equivalents	12	47.91	1.01
(iii) Bank Balances other than (ii) above			
(c) Other Current Assets	13	589.04	421.54
Total Current Assets		**1,707.81**	**523.77**
Total Assets		**3,680.77**	**2,724.32**
Equity And Liabilities			
Equity			
(a) Equity Share Capital	14	3,099.63	3,099.63
(b) Other Equity	15	(1,164.84)	(809.16)
Total Equity		**1,934.79**	**2,290.47**
Liabilities			
Non-Current Liabilities			
(a) Provisions	16	16.57	13.28
Total Non-Current Liabilities		**16.57**	**13.28**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	-	133.18
(ii) Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises; and		224.11	47.47
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,374.56	158.83
(iii) Other Financial Liabilities	19	-	18.46
(b) Other Current Liabilities	20	129.79	62.25
(c) Provisions	16	0.95	0.38
Total Current Liabilities		**1,729.41**	**420.57**
Total Equity And Liabilities		**3,680.77**	**2,724.32**
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited (Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

Place of Signature:
Date: 17 MAY 2022

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from Operations	21	1,435.69	303.90
II	Other Income	22	1.33	1.22
III	**Total Income (I+II)**		**1,437.02**	**305.12**
IV	**Expenses**			
	(a) Cost of Materials Consumed	23	1,554.53	259.49
	(b) Changes in Inventories of Finished Goods and Work in P	24	(264.65)	(8.62)
	(c) Employee Benefits Expense	25	66.34	126.64
	(d) Finance Costs	26	57.52	14.81
	(e) Depreciation And Amortisation Expense	27	178.34	193.53
	(f) Other Expenses	28	200.61	81.28
	Total expenses		**1,792.69**	**667.13**
V	Profit/ (loss) before exceptional items and tax (III-IV)		**(355.67)**	**(362.01)**
VI	Exceptional Items		0.50	-
VII	**Profit/ (Loss) before tax**		**(356.17)**	**(362.01)**
VIII	**Tax expense:**	9		
	(a) Current tax		-	-
	(b) Deferred tax		3.06	92.85
	(c) Income tax adjustment for earlier year		(0.60)	-
	Total tax benefits/(expense)		**2.46**	**92.85**
IX	**Profit/ (Loss) for the year**		**(353.71)**	**(269.16)**
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Profit and Loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans		(2.66)	2.42
	(ii) Income tax on items that will not be reclassified subsequently to Profit & Loss		0.69	(0.63)
	Other Comprehensive Gain/(Loss)		**(1.97)**	**1.79**
XI	**Total Comprehensive Income/(Loss) for the year (IX+X)**		**(355.68)**	**(267.37)**
XII	**Earnings/(loss) Per Share (face value ₹ 10 per share)**	29		
	1) Basic (amount in ₹)		(1.14)	(0.87)
	2) Diluted (amount in ₹)		(1.14)	(0.87)

Summary of significant accounting policies
The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature:
Date: 17 MAY 2022

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited (Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Standalone Statement of Cash Flow for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow From Operating Activities		
Loss before tax	**(356.17)**	**(362.01)**
Adjustments for:		
Depreciation And Amortisation Expense	178.34	193.53
Finance Cost	57.52	14.81
Interest Income	(1.22)	(1.16)
Operating profit before working capital changes	**(121.53)**	**(154.83)**
Movement in working capital		
(Increase) In Inventories	(583.62)	(8.21)
(Increase) In Trade Receivables	(386.02)	(52.51)
(Increase) In Other Current And Non Current Financial Assets	(1.10)	-
(Increase) In Other Current And Non-Current Assets	(166.82)	(20.81)
Increase In Trade Payables	1,392.36	26.66
Increase In Current And Non-Current Provisions	1.20	5.43
Decrease/(Increase) In Other Current And Non-Current Liabilites	67.54	58.04
Cash generated from /(used in) operating activities post working capital changes	**202.01**	**(146.23)**
Income tax paid (net)	(0.43)	0.04
Net cash generated from/(used in) operating activities (A)	**201.58**	**(146.19)**
Cash Flows From Investing Activities		
Purchase of Property, Plant And Equipment	53.75	(44.70)
(Increase)/Decrease in Investment of shares	(0.50)	34.04
(Increase)/Decrease in Creditors for Capital Expenditure	(18.45)	4.35
Interest Received From Deposits	1.22	0.08
Net cash flow from/(used in) investing activities (B)	**36.02**	**(6.23)**
Cash Flows From Financing Activities		
Proceeds From Issue Of Share Capital	-	120.00
(Repayment of)/Proceeds from Short Term Borrowings	(133.18)	45.00
Finance Costs Paid	(57.52)	(14.81)
Net cash (used in)/flow from financing activities (C)	**(190.70)**	**150.19**
Increase/(decrease) in cash and cash equivalents (A+B+C)	46.90	(2.23)
Cash and cash equivalents at the begining of the year	1.01	3.24
Cash and cash equivalents at the end of the year	**47.91**	**1.01**
Components of cash & Cash Equivalent		
Cash on hand	-	0.01
With banks - on current account and deposits with banks	47.91	1.00
Total Cash and Cash equivalent (Note No. 12)	**47.91**	**1.01**

Summary of significant accounting policies
The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature:
Date: 17 MAY 2022

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited (Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

(Yatendra Singh Chauhan)
Director
DIN: 03555013

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DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Standalone Statement of Changes in Equity for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

		Amount
A	**Equity Share Capital**	
	For the year ended 31 March, 2022	
	Equity shares of ₹10 each issued, subscribed and fully paid at 1 April, 2021	3,099.63
	Changes in Equity Share Capital due to prior period errors	-
	Restated balance at 1 April 2021	3,099.63
	Issue of share capital	-
	At March 31, 2022	**3,099.63**
	For the year ended 31 March, 2021	
	Equity shares of ₹10 each issued, subscribed and fully paid at 1 April, 2020	2,979.63
	Changes in Equity Share Capital due to prior period errors	-
	Restated balance at 1 April 2020	2,979.63
	Issue of share capital	120.00
	At March 31, 2021	**3,099.63**

B Other equity

For the year ended March 31, 2022

Description	Reserves and surplus	Total
	Retained earnings	
Balance as at March 31, 2021	**(809.16)**	(809.16)
Loss for the year	(353.71)	(353.71)
Remeasurement of defined benefit plan (net of tax)	(1.97)	(1.97)
Balance as at March 31, 2022	**(1,164.84)**	**(1,164.84)**

For the year ended March 31, 2021

Description	Reserves and surplus	Total
	Retained earnings	
Balance as at March 31, 2020	**(541.79)**	(541.79)
Loss for the year	(269.16)	(269.16)
Remeasurement of defined benefit plan (net of tax)	1.79	1.79
Balance as at March 31, 2021	**(809.16)**	**(809.16)**

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature:
Date: 17 MAY 2022

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited (Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
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Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Note 1: Corporate Information

Sandhar Automotive Systems Private Limited (incorporated originally as Sandhar Daewha Automotive Systems Private Limited on 20th January 2017) is a Private Limited Company incorporated under the Provision of Companies Act 2013.The name of Company has changed from Sandhar Daewha Automotive Systems Private Limited to Sandhar Automotive Systems Private Limited w.e.f. January 06, 2022 The Company is primarily engaged in the business of manufacture, service, import, export, trade, promote, pack, repack, assemble, reassemble, design, modify, buy, sell, repair and otherwise to act as wholesale dealers of all kinds of automotive fuel pumps, filters, starter motors, wiper blades, accessories, emission controlling, engine combustion and calibration units, and other ancillary automotive modules & parts. The registered office of the Company is located at Sandhar Components Behrampur, Khasra No.1747/1218,11,Behrampur road, Village Khandsa, Gurugram, Gurgaon, Haryana, India, 122001.

The financials statements for the year ended March 31, 2022 were approved by the Board of Directors on 17.05.2022

Note 2: Statement of Compliance:

Statement of Compliance: In accrordance 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 April 01, 2017.

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 on accrual and going concern basis 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 Lakhs upto two decimal places except otherwise stated.

Going Concern

The board of directors have considered the financial position of the Company as at March 31, 2022, the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for profitability remains on course. The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

Impact Assessment of COVID-19

The Company believes that COVID 19 is not likely to have any material impact on its financial statements, liquidity or ability to service its debt or other obligations. However, the overall economic environment, being uncertain due to COVID 19, may affect the underlying assumptions and estimates in future, which may differ from those considered as at the date of approval of these financial statements. The Company would closely monitor such developments in future economic conditions and consider their impact on the financial statements of the relevant periods.

Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2022:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2022:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and there is no impact on its financial statements.

New Accounting Pronouncements effective from April 1, 2021:

The new accounting pronouncements pursuant to amendment under Ind As 103, Ind As 104, Ind As 116 effective from April 01, 2021 donot have impact on the net worth, financial position, financial performace or on the cash flow of the Company

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.

i) 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:

Sandhar Automotive Systems Private Limited

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ii) 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.

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.

Defined benefit plans

The present value of the gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur, the assessment of the existence, and potential quantum, of contingencies inherently involves exercise of significant judgements and the use of estimates regarding outcome of future events.

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:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) 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 assets.

Liabilities:

A liability is current when:

(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) 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 normally 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 except in the following cases where useful life has been estimated by the Management :-

Assets	As per Schedule II	As per Management Assessment
Motor Vehicles	8 years	6 years
Servers & Networks	6 years	3 years
Tools	15 years	6 years

Sandhar Automotive Systems Private Limited

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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. Assets costing up to ₹5,000 are fully depreciated in the year of acquisition. Further, the Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined seperately. 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) <u>Intangible Assets</u>

Recognition and measurement

Intangible Assets with finite useful lives are stated at cost less accumulated amortization and impairment loss, if any.

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

e) <u>Borrowing costs</u>

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) <u>Foreign Currencies</u>

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) <u>Revenue Recognition</u>

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the company apply the following five step approach:

(1) Identify the contract with a customer
(2) identify the performance obligations in the contract
(3) determine the transaction price,
(4) allocate the transaction price to the performance obligations in the contract
(5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation.
For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the goods sold & services rendered:

(i) Local Sales & Job Work :

Local Sales are to be recognized at the point of dispatch of goods to the customers & sales are reported net of trade discount and sales tax, and inclusive of packing charges.

(ii) Rendering of services :

Revenue from the Installation & Commissioning services and income from shared services is to be recognised by reference to the stage of completion. Stage of completion is measured by reference to cost incurred to date as a percentage of total estimated cost for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Sandhar Automotive Systems Private Limited

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(iii) Other Income: Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

h) **Leases**

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

i) **Inventories**

Inventories are valued at the lower of cost and net realizable value. The cost of raw material is determined on the basis of First-in-First-Out (FIFO) method.

- The cost of manufactured finished goods and work-in-progress includes raw material value determined on the basis of First-in-First-Out (FIFO) method and includes conversion and other costs incurred in bringing the inventories to their present location and condition.
- Stores & Consumables, Packing Materials, Tools & Dies are valued at lower of net realizable value or cost on the basis of First-in-First-Out (FIFO) Method.
- Stock in Transit is valued at lower of cost and net realizable value. Scrap is valued at estimated net realizable value.

j) **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.

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.

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.

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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 under 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.

k) **Provisions**

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.

l) **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)

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)

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.

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Offsetting of financial instruments

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

m) 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:

The Company 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 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.

n) 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.

o) 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.

p) 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).

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.

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Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 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.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. In accordance with Ind AS 12 Company is grouping MAT credit entitlement with Deferred Tax Assets / Liability (Net).

q) **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.

r) **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.

s) **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.

t) **Segment Reporting**

The Company has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to make strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

u) **Statement of Cash Flows**

Cash flows are reported using the indirect method,where by profit for the period is adjusted for the effects of transactions of a non-cash nature,any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.The cash flows from operating,investing and financing activities of the Company are segregated.The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents

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(All amounts are in lakh ₹ unless otherwise stated)

Note 3: Property, Plant and Equipment

Particulars	Leasehold improvement	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total
Gross Carrying Value (Deemed Cost)							
As at April 01, 2020	28.29	2,182.85	2.14	16.48	6.89	17.59	2,254.24
Additions made during the year	14.82	26.18	-	3.29	-	0.41	44.70
Disposals/ adjustments during the year							-
As at March 31, 2021	43.11	2,209.03	2.14	19.77	6.89	18.00	2,298.94
Additions made during the year		0.17	-	-	-	0.69	0.85
Disposals/ adjustments during the year							-
As at March 31, 2022	43.11	2,209.19	2.14	19.77	6.89	18.69	2,299.79
Accumulated depreciation							
As at April 01, 2020	28.29	198.73	1.49	4.47	2.30	8.92	244.19
Depreciation charge for the year	14.82	167.10	-	3.43	1.15	5.94	192.43
Disposals/ adjustments during the year	-	-	-	-	-	-	-
As at March 31, 2021	43.11	365.83	1.49	7.90	3.45	14.85	436.62
Depreciation charge for the year	-	169.27	0.15	3.72	1.15	2.96	177.24
Disposals/ adjustments during the year	-	-	-	-	-	-	-
As at March 31, 2022	43.11	535.10	1.64	11.62	4.59	17.81	613.87
Net Carrying Value							
As at March 31, 2022	0.00	1,674.10	0.50	8.15	2.30	0.88	1,685.93
As at March 31, 2021	0.00	1,843.20	0.65	11.87	3.44	3.15	1,862.32

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(All amounts are in lakh ₹ unless otherwise stated)

Note 4: Capital Work in Progress	As At March 31, 2022	As At March 31, 2021
Capital work in progress	-	54.60
	-	54.60
Breakup of Capital Work in Progress is as follows:		
Plant and equipment	-	54.60
	-	54.60

Capital Work in Progress Aging Schedule

As at March 31, 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March, 2021

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	54.60	-	54.60
Total	-	-	54.60	-	54.60

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Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 5: Other Intangible Assets

Particulars	Software	Total
Gross Carrying Value (Deemed Cost)		
As at April 01, 2020	**5.28**	**5.28**
Additions made during the year	-	-
Disposals/ adjustments during the year	-	-
As at March 31, 2021	**5.28**	**5.28**
Additions made during the year	-	
Disposals/ adjustments during the year	-	
As at March 31, 2022	**5.28**	**5.28**
Amortisation		
As at April 01, 2020	**1.96**	**1.96**
Amortisation charge for the year	1.10	1.10
Disposals/ adjustments during the year	-	-
As at March 31, 2021	**3.06**	**3.06**
Amortisation charge for the year	1.10	1.10
Disposals/ adjustments during the year	-	-
As at March 31, 2022	**4.16**	**4.16**
Net Carrying Value		
As at March 31, 2022	**1.12**	**1.12**
As at March 31, 2021	**2.22**	**2.22**

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Note 6: Investments		As At March 31, 2022		As At March 31, 2021
Investments measured at cost				
In Equity share of Subsidary companies				
Unquoted Fully Paid - Up				
5,000 (March 31, 2021: Nil) shares of Sandhar Autotech Private Limited of FV ₹10 fully paid up	0.50		-	
Less: Aggregate amount of impairment in the value of investments	(0.50)	-	-	-
5,000 (March 31, 2021: Nil) shares of Sandhar Auto Electric Technologies Private Limited of FV ₹10 fully paid up		0.50		-
Total		**0.50**		**-**

Note:	As At March 31, 2022	As At March 31, 2021
a) Aggregate Value Disclosure		
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	1.00	-
Aggregate amount of impairment in value of unquoted investments	0.50	-
Aggregate value of unquoted investments (net of impairment)	0.50	-

b) During the year ended March 31, 2022, Sandhar Autotech Private Limited, a subsidiary of the company went under strike-off as per section 248 of Companies Act, 2013. Since the process of strike off of Sandhar Autotech Private Limited is in progress as at reporting date, the Company has made provision for diminuition in value of investment amounting to ₹ 0.50. The disclosure as per schedule III is as under:

Name of struck off Company	Nature of transactions with struckoff Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
Sandhar Autotech Private Limited	Provision for dimunuition in value of investment	-	Subsidiary

c) Information about subsidiaries

(Amount in ₹ Lakh, unless otherwise stated)

Name of Company	Country of Incorporation	Principal Activities	Proportion (%) of equity interest	
			As At March 31,2022	As At March 31,2021
Sandhar Autotech Private Limited (under the process of strike off)	India	Auto Ancilliary	99.98%	-
Sandhar Auto Electric Technologies Private Limited	India	Manufacturing, assembling, installations, commissioning, supply and trading of parts/ components of Vehicles	99.98%	-

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(All amounts are in lakh ₹ unless otherwise stated)

Note 7: Other Financial Assets	Non-Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Bank deposit with original maturity of more than 12 months (remaining maturity more than 12 Months)	17.58	16.48	-	-
Interest accrued on fixed deposits	0.07	0.07	-	-
	17.65	16.55	-	-

a) Fixed Deposits with a carrying amount of ₹17.58 (March 31, 2021 : ₹16.48) represents margin money against bank guarantees issued with Custom Authorities.

Note 8: Non-Current Tax Assets (Net)	As At March 31, 2022	As At March 31, 2021
Advance income-tax (TDS Recoverable)	0.63	0.80
	0.63	0.80

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(All amounts are in lakh ₹ unless otherwise stated)

Note 10: Inventories	**As At March 31, 2022**	**As At March 31, 2021**
Raw Materials	350.19	26.28
Finished Goods	281.19	16.54
Stores & Spares	-	4.93
	631.38	47.76

a) For mode of valuation Refer Accounting Policy on Inventory Valuation in Note 2.1

Note 11: Trade Receivables	**As At March 31, 2022**	**As At March 31, 2021**
Trade Receivables Considered Good- Secured	439.48	53.46
Trade Receivables Considered Good- Unsecured	-	-
	439.48	53.46

a) Amount includes dues from related parties (refer note 30)

b) Trade Receivables ageing schedule as on March 31, 2022

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	439.48	-	-	-	-	439.48
(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						**439.48**

Trade Receivables ageing schedule as on March 31, 2021

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	53.46	-	-	-	-	53.46
(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						**53.46**

c) Trade Receivables are non interest bearing and generally on terms of not more than 90 days.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 9: Income Tax

The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

Statement of Profit and Loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Tax Expenses:		
a) Current tax	-	-
b) Deferred tax	3.06	92.85
(c) Income tax adjustment for earlier year	(0.60)	-
Income tax benefit/(expense) reported in the Statement of Profit or Loss	2.46	92.85

Other Comprehensive Income (OCI) Section: Deferred tax related to items recognised in OCI during the year	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred Tax Expenses/(Income) on Net loss/gain on remeasurements of defined benefit plans	0.69	(0.63)
Net amount charged to OCI	0.69	(0.63)

Deferred Tax Assets/ (Liability) (Net)

Particulars	As At March 31, 2022	As At March 31, 2021
Gross Deferred Tax Assets	413.67	408.57
Gross Deferred Tax Liabilities	146.54	145.19
Deferred Tax Assets/ (Liability) (Net)	267.13	263.38

Movement in Deferred Tax Assets (Net)

Particulars	As At April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2022
Deferred tax assets relates to the following:				
Provision For Compensated Absences	2.00	(0.23)	-	1.77
Provision For Gratuity	0.92	1.86	0.69	3.47
Provision For Labour Welfare Fund	-	0.01	-	0.01
Bonus Payable	-	0.18	-	0.18
Unabsorbed Depreciation And Business Losses	405.38	2.86	-	408.24
Others	0.27	(0.27)	-	0.00
Deferred tax liability relates to the following:				-
Property, Plant & Equipment And Intangible Assets	(145.19)	(1.35)	-	(146.54)
Others	-	-	-	-
Total	263.38	3.06	0.69	267.13

Movement in Deferred Tax Assets (Net)

Particulars	As At April 01, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2021
Deferred tax assets relates to the following:				
Provision for compensated absences	1.20	0.80		2.00
Provision for gratuity	1.57	(0.02)	0.63	0.92
Unabsorbed depreciation and business losses	297.97	107.40	-	405.38
Others	0.54	(0.26)	-	0.27
Deferred tax liability relates to the following:				
Property, plant & equipment and Intangible asset	(130.11)	(15.08)	-	(145.19)
Others				
Total	171.17	92.85	0.63	263.38

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Reconciliation of tax expense and the accounting profit multiplied by India's Domestic tax rate for March 31, 2022 & March 31, 2021

	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting (Loss)/ profit before tax	(356.17)	(362.01)
Applicable tax rate	26.00%	26.00%
Expected tax expense [A]	(92.61)	(94.12)
Lapsed unused carry forward losses for two assessment years	90.53	186.97
Adjustments in respect of current income tax of previous years	0.60	-
Others	(0.98)	-
Total adjustments [B]	90.15	186.97
Actual tax expense [C=A+B]	(2.46)	92.86
Total tax incidence	(2.46)	92.86
Tax expense recognized in Statement of Profit & Loss [D]	(2.46)	92.86

The applicable tax rate is the rate applicable to domestic Company – March 31, 2022 : 26.00% (March 31, 2021 : 26.00%)

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Note 12: Cash and Cash Equivalents	As At March 31, 2022	As At March 31, 2021
Balances With Banks		
- Current Accounts	47.91	1.00
Cash on Hand	-	0.01
	47.91	**1.01**

a) For the purpose of the statement of cash flow, cash and cash equivalents are same given above.

Note 12.1 : Bank Balance Other Than Cash and Cash Equivalents	Non Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Bank deposits having remaining maturity of more than 12 months	17.58	16.48	-	-
	17.58	**16.48**	-	-
Amount disclosed under "Other Financial Assets" **(Refer note 7)**	(17.58)	(16.48)	-	-
	-	-	-	-

Note 13: Other Assets	Non Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
(Unsecured, considered good, unless otherwise stated)				
Advances to Vendors	-	-	7.24	5.96
Balances With Government Authorities	-	-	494.98	391.17
Prepaid Expenses	-	-	3.77	4.99
Advance To Employees	-	-	0.10	0.15
Capital Advances	-	0.68	-	-
Other Recoverable (Refer note a below)	-	-	82.95	19.27
	-	**0.68**	**589.04**	**421.54**

a) Other Recoverable includes ₹ 59.27 Lakhs on account of IGST tax paid and credit availed by the Company pursuant to surrender of EPCG license (EPCG license no. 0530173470 dated :04.12.2018, BOE no. 9286786). The Company has paid the said tax in the month of May 2022.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 14: Equity Share Capital	As At March 31, 2022	As At March 31, 2021
Authorised		
32,000,000 (Mar 31, 2021 : 32,000,000) Equity Share of ₹ 10 each*	3,200.00	3,200.00
	3,200.00	**3,200.00**
Issued, subscribed and fully paid up		
30,99,6286 (Mar 31, 2021 : 30,99,6286) Equity Share of `₹ 10 each*	3,099.63	3,099.63
	3,099.63	3,099.63

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

i) **Reconciliation of authorised share capital at the beginning of the year and at the end of year**

Particulars	No of shares*	Amount
Balance as at April 01, 2020	**30,000,000**	3,000.00
Changes during the year	2,000,000	200.00
Balance as at March 31, 2021	**32,000,000**	**3,200.00**
Changes during the year	-	-
Balance as at March 31, 2022	32,000,000	3,200.00

ii) **Reconciliation of issued and subscribed share capital at the beginning and at the end of year**

Particulars	No of shares*	Amount
Balance as at April 01, 2020	**29,796,286**	**2,979.63**
Issued during the year	1,200,000	120.00
Balance as at March 31, 2021	**30,996,286**	**3,099.63**
Issued during the year	-	-
Balance as at March 31, 2022	30,996,286	3,099.63

b) **Terms/Rights attached to the equity shares**

The Company has only one class of equity shares having a par value of ₹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) **Number of shares held by each shareholder holding more than 5% Shares in the Company**

Particulars	As At March 31, 2022		As At March 31, 2021	
	No of shares*	% Holding	No of shares*	% Holding
Sandhar Technologies Limited	30,996,285	100.00%	16,173,143	52.18%
Daewha Fuel Pump Ind. Limited	-	0.00%	14,823,143	47.82%

*1 Equity Share is held by Shri Jayant Davar and number of shares are given in absolute numbers.

d) **Details of shares held by promoters**

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year (refer note 'e' below)	No. of shares at the end of the year	% of Total Shares	% change during the year
1	Sandhar Technologies Limited Equity shares of ₹10 each fully paid	16,173,143	14,823,142	30,996,285	99.99%	47.81%
2	Daewha Fuel Pump Ind.Limited Equity shares of ₹10 each fully paid	14,823,143	(14,823,143)	-	0.00%	47.82%
3	Shri Jayant Davar Equity shares of ₹10 each fully paid	-	1	1	0.01%	0.01%
Total		30,996,286	-	30,996,286	100.00%	0.00%

Sandhar Automotive Systems Private Limited

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Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	Sandhar Technologies Limited Equity shares of ₹10 each fully paid	16,173,143	-	16,173,143	52.18%	0%
2	Daewha Fuel Pump Ind. Limited Equity shares of ₹10 each fully paid	14,823,143	-	14,823,143	47.82%	0%
Total		30,996,286	-	30,996,286	100.00%	-

* Number of Shares are given in absolute numbers.

e) As per Share Purchase Agreement (SPA) executed on Decmebr 06,2021, the Joint Venture (JV) parties i.e., Sandhar Technologies Limited(STL) and Daewha Fuel Pump Ind. Limited (DFPL) entered into mutual agreement pursuant to which STL has agreed to acquire 1,48,23,143 equity shares held by DFPL constituting 47.82% of share capital of Company for a lumpsum consideration as agreed in the SPA.

In effect of above, all the terms, conditions and obligations has set out in original JV Agreement between JV parties stands terminated and shareholding of the Company to the extent of 99.99% of the total share capital is held by STL.

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Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 15: Other Equity	**As At March 31, 2022**	**As At March 31, 2021**
Retained Earnings		
Balance at the beginning of the year	(809.16)	(541.79)
Add: Profit for the year as per statement of Profit and Loss	(355.68)	(267.37)
Balance at the end of the year	(1,164.84)	(809.16)

a) For Movement during the period in Other Equity, refer "Statement of Change in Equity".

b) Nature and purpose of other reserves

Retained Earnings: All the profits or losses made by the Company are transferred to retained earnings from Statement of Profit and Loss.

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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(All amounts are in lakh ₹ unless otherwise stated)

Note 16: Provisions

	Non Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Provision for Employee Benefits (Refer Note 34)				
- Compensated Absenses	6.29	7.33	0.53	0.36
- Gratuity	10.28	5.95	0.42	0.02
	16.57	**13.28**	**0.95**	**0.38**

Note 17: Short Term Borrowings

	As At March 31, 2022	As At March 31, 2021
Unsecured		
Loan From related parties (Refer note 'a' below)	-	133.18
	-	**133.18**

a) The above carried interest rate upto 11% p.a. and is repayable on demand. The loan is repaid during the year.

Note 18: Trade Payables

	As At March 31, 2022	As At March 31, 2021
- Outstanding Dues to Micro and Small Enterprises	224.11	47.47
- Outstanding Dues To Parties Other Than Micro And Small Enterprises	1,374.56	158.83
	1,598.67	**206.30**

a) Trade Payables are non-interest bearing and are normally settled on 90-day terms except for SME's (if any) which are settled within 45 days.
b) Amount includes dues to related parties (refer note 30)
c) The company's exposure to market and liquidity risk related to trade payables is disclosed in note 37.
d) As per Schedule III of the Companies Act, 2013 and as certified by the Management, the amount due to Micro & Small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	224.11	47.47
ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.89	0.03
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

e) The amount does not include any amount due to be transferred to Investor Protection and Education fund.

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	
(i) MSME	224.11	-	-	-	-	224.11
(ii) Others	1,360.70	11.12	-	-	2.74	1,374.56
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

Trade Payables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	
(i) MSME	47.47	-	-	-	-	47.47
(ii) Others	153.43	-	-	-	5.40	158.83
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-		-

Sandhar Automotive Systems Private Limited

K. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(All amounts are in lakh ₹ unless otherwise stated)

Note 19: Other Current Financial Liabilities	As At March 31, 2022	As At March 31, 2021
Creditors for Capital Expenditure	-	18.46
	-	**18.46**

Note 20: Other Current Liabilities	As At March 31, 2022	As At March 31, 2021
Statutory dues	129.10	1.81
Advance from customers	0.69	60.44
	129.79	**62.25**

a) Amount includes dues to related parties of ₹ Nil (March 31, 2021: ₹ 60.44).

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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Sandhar Automotive Systems Private Limited

(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 21: Revenue From Operations	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Product	1,434.52	303.90
Other Operating Revenues		
Sale of Scrap	1.17	-
	1,435.69	**303.90**

a) Performance Obligation

Revenue is recognised upon transfer of control of products to the

During the year, the Company has not entered into long term contracts with customers and accordingly disclsoure of unsatisfied or remaining performance obligation (which is affected by several factors like changes in scope of contracts, periodic revalidations, adjustment for revenue that has not been materialized, tax laws etc.) is not applicable to the Company.

b) Disaggregation of Revenue: The table below presents disaggregated revenues from contracts with customers on the basis of geographical spread of the operations of the Company. These revenues are revenues which have been recognised at point in time. The Company believes that this disaggregation best depicts how the nature, amount of revenues and cash flows are affected by market and other economic factors:

Particulars **Revenue by geography**	For the Year ended March 31, 2022	For the year ended March 31, 2021
- Within India	1,423.40	303.90
- Outside India	11.12	-
	1,434.52	**303.90**

Revenue customer wise	For the Year ended March 31, 2022	For the year ended March 31, 2021
- Related party	646.85	303.52
- Non-related party	787.67	0.38
	1,434.52	**303.90**

c) Revenue recognised in relation to contract liabilities:

Ind AS 115 requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous period. Same has been disclosed as below:

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Amounts included in contract liabilities at the beginning of the year	60.44	-
Performance obligations satisfied in previous years	-	-
	60.44	-

d) Assets and liabilities related to contracts with customers	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Contract assets related to sale of goods	-	-
Contract liabilities related to sale of goods		
- Advance from customers	0.69	60.44
	0.69	**60.44**

e) Significant changes in contract assets and liabilities Changes in balance of contract liabilities during the year:	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Opening balance of contract liabilities	60.44	-
Amount of revenue recognised against opening contract liabilities	(60.44)	-
Addition in balance of contract liabilities for current year	0.69	60.44
Closing balance of contract liabilities	**0.69**	**60.44**

f) Reconciliation of Revenue from operations with contracted price	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Contracted Price	1,518.98	303.90
Less: Discounts and Other Schemes	(84.46)	-
	1,434.52	**303.90**

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(All amounts are in lakh ₹ unless otherwise stated)

g) Trade Receivables and Contract Balances
For Trade Receivables, refer Note No. 11.
Further, the Company has no contracts where the period between the transfer of the promised goods or services to the customer and payment terms by the customer exceeds one year. In light of above;
- it does not adjust any of the transaction prices for the time value of money, and
- there is no unbilled revenue as at March 31, 2022.

Note 22: Other Income	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
- Bank deposits	1.22	1.15
- Income tax refund	-	0.01
Miscellaneous Income	0.11	0.06
	1.33	**1.22**

Note 23: Cost of Materials Consumed	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year	26.28	25.06
Add: Purchases	1,878.43	260.71
Less: Inventory at the end of the year	(350.19)	(26.28)
	1,554.53	**259.49**

Note 24: Changes in Inventories of Finished Goods and Work-in-Progress	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods	16.54	7.93
	16.54	**7.93**
Closing stock		
Finished goods	281.19	16.54
	281.19	**16.54**
	(264.65)	**(8.62)**

Note 25: Employee Benefits Expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages And Bonus	52.37	111.09
Contribution To Provident And Other Funds (Refer Note 33)	2.92	7.22
Gratuity Expense (Refer Note 33)	2.08	2.36
Compensated Absences (Refer Note 33)	7.81	3.94
Staff Welfare Expenses	1.16	2.03
	66.34	**126.64**

Note 26: Finance Cost	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Cost		
- Interest on Loans	13.71	14.78
- Interest on Custom Duty (EPCG)	41.95	-
- Interest to Others	1.86	0.03
	57.52	**14.81**

Note 27: Depreciation and Amortisation Expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation Of Property, Plant And Equipment	177.24	192.43
Amortisation Of Intangible Assets	1.10	1.10
	178.34	**193.53**

Sandhar Automotive Systems Private Limited

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Sandhar Automotive Systems Private Limited
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Notes to Standalone Financial Statements for the year ended March 31, 2022
(All amounts are in lakh ₹ unless otherwise stated)

Note 28: Other Expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Packing Material Consumed	8.77	9.98
Stores & Spares Consumed	1.00	3.19
Power & Fuel	6.26	5.65
Repairs & Maintenance - Plant And Machinery	1.69	1.47
- Others	6.41	11.96
Rent & Hire Charges	13.24	0.60
Rates & Taxes	25.71	1.72
Security Service Charges	12.72	12.19
Insurance	5.67	4.45
Travelling & Conveyance	1.36	1.21
Legal & Professional Fees	53.66	22.49
Payment To Auditors (Refer Note 'a' below)	1.50	0.75
Loss On Foreign Exchange Fluctuations	0.01	-
Bank Charges	0.19	0.04
Freight and Forwarding	1.89	3.62
Design and Development Expenses	-	0.30
CWIP written off	59.15	-
Miscellaneous Expenses	1.38	1.66
	200.61	81.28

a) Details of payment made to auditors is as follows:	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor:		
Statutory audit	0.75	0.75
Other services	0.75	-
	1.50	0.75

Note 29: Earnings Per Share

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the period/year whereas Diluted Earning per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss)/profit attributables to the equity holders	(353.71)	(269.16)
Number of equity shares	30,996,286	30,996,286
Weighted average number of shares used in basic earnings per share	30,996,286	30,879,985
Weighted average number of shares used in diluted earnings per share	30,996,286	30,879,985
Basic earnings per share (in ₹) (face value ₹ 10 per share)	(1.14)	(0.87)
Diluted earnings per share (in ₹) (face value ₹ 10 per share)	(1.14)	(0.87)

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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Sandhar Automotive Systems Private Limited
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Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 30: Disclosure of Related Party Transactions

a) **List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures**

Wholly Owned Subsidary
Sandhar Autotech Private Limited (Under process of strike off)
Sandhar Auto Electric Technologies Private Limited (Formerly Known as Daewha India Private Limited)

Holding Company
Sandhar Technologies Limited (w.e.f. December 06, 2021)

Joint Venture (Upto December 05, 2021)
Sandhar Technologies Limited
Daewha Fuel Pumps Ind. Ltd.

Enterprise over which Holding Company has control
Sandhar Amkin Industries Private Limited

Key Management Personnel (KMP)
Mr. Kyeong Ryeol Kim (Director) (Upto 08.12.2021)
Mr. Rajesh Agarwal (Director)
Mr. Yatendra Singh Chauhan (Director)
Mr. Jae Gweon Yang (Director) (Upto 08.12.2021)
Mr. Ashish Vatsa (Chief Executive Officer) w.e.f February 01, 2022
Mr. Naveen Kumar (Chief Financial Officer) w.e.f February 01, 2022
Ms. Sakshi Goyal (Company Secretary) w.e.f October 27, 2021
Ms. Bhavya Sachwani (Company Secretary) till October 24, 2021

b) **Transactions during the period with related parties**

S. No.	Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Holding Company	Holding Company	Enterprise over which Holding Company has control	Enterprise over which Holding Company has control	Wholly Owned Subsidary	Wholly Owned Subsidary	Joint Venture	Joint Venture	Key Management Personnel (KMP)	Key Management Personnel (KMP)
1	**Issue/ Allotment of Share Capital**										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	120.00	-	-
2	**Investments during the year**										
	Sandhar Autotech Private Limited	-	-	-	-	0.50**	-	-	-	-	-
	Sandhar Auto Electric Technologies Private Limited (Formerly Known as Daewha India Private Limited)	-	-	-	-	0.50	-	-	-	-	-
3	**Sale of Products**										
	Sandhar Technologies Limited					-	-	635.74	269.87	-	-
	Daewha Fuel Pumps Ind. Ltd.					-	-	11.12	33.65	-	-
4	**Purchase of Raw Material**										
	Sandhar Technologies Limited	1,082.67	-	-	-	-	-	832.88	9.02	-	-
	Daewha Fuel Pumps Ind. Ltd.	-	-	-	-	-	-	0.16	-	-	-
	Sandhar Amkin Industries Private Limited	-	-	16.01	-						
5	**Purchase of Fixed Assets**										
	Sandhar Technologies Limited	0.81	-	-	-	-	-	-	-	-	-
	Daewha Fuel Pumps Ind. Ltd.	-	-	-	-	-	-	-	-	-	-
6	**Interest Expenses**										
	Sandhar Technologies Limited					-	-	13.73	14.78	-	-
7	**Rent charges**										
	Sandhar Technologies Limited	15.16	-	-	-	-	-	0.14	0.24	-	-
8	**Loan taken**										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	45.00	-	-

Sandhar Automotive Systems Private Limited
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Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

S. No.	Particulars	March 31, 2022 Holding Company	March 31, 2021 Holding Company	March 31, 2022 Enterprise over which Holding Company has control	March 31, 2021 Enterprise over which Holding Company has control	March 31, 2022 Subsidary	March 31, 2021 Subsidary	March 31, 2022 Joint Venture	March 31, 2021 Joint Venture	March 31, 2022 KMP	March 31, 2021 KMP
9	Loan Repaid										
	Sandhar Technologies Limited	133.18	-	-	-	-	-	-	-	-	-
10	Advance received for goods										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	60.44	-	-
11	Expenses incurred on our behalf										
	Sandhar Technologies Limited	0.90	-	-	-	-	-	65.18	12.72	-	-
12	Expenses incurred on their behalf										
	Sandhar Auto Electric Technologies Private Limited	-	-	-	-	0.08	-	-	-	-	-
13	Remuneration paid (including reimbursement if any)*										
	Mr. Naveen Kumar	-	-	-	-	-	-	-	-	1.76	-
	Ms. Sakshi Goyal	-	-	-	-	-	-	-	-	1.33	-
	Ms. Bhavya Sachwani	-	-	-	-	-	-	-	-	1.99	2.69
	Mr. Ashish Vatsa	-	-	-	-	-	-	-	-	2.91	-

* Does not include the provision made for Gratuity and Compensated absences, as they are determined on an actuarial basis for all the employees together.

** Provision for diminuition in investment made @ Rs 0.50 Lakhs

c) Outstanding Balances with related parties

S. No.	Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Holding Company	Holding Company	Enterprise over which Holding Company has control	Enterprise over which Holding Company has control	Subsidary	Subsidary	Joint Venture	Joint Venture	KMP	KMP
1	Trade Payables										
	Sandhar Technologies Limited	1,312.04	-	-	-	-	-	-	129.27	-	-
	Daewha Fuel Pump Ind. Ltd.	-	-	-	-	-	-	-	-	-	-
	Sandhar Amkin Industries Private Limited	-	-	15.95	-	-	-	-	-	-	-
	Ms Bhavya Sachwani	-	-	-	-	-	-	-	-	-	0.26
	Ms Sakshi Goyal	-	-	-	-	-	-	-	-	0.26	-
	Mr. Naveen Kumar	-	-	-	-	-	-	-	-	0.88	-
	Mr. Ashish Vatsa	-	-	-	-	-	-	-	-	1.19	-
2	Trade Receivables										
	Sandhar Technologies Limited	-	-	-	-	94.05	-	-	47.96	-	-
	Daewha Fuel Pump Ind. Ltd.	-	-	-	-	-	-	-	5.50	-	-
	Sandhar Auto Electric Technologies Private Limited	-	-	-	-	0.08	-	-	-	-	-
3	Borrowings										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	133.18	-	-

d) **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.

e) In respect of transfer of share between Sandhar Technologies Limited (STL) and Daewha Fuel Pump Ind. Limited (DFPL), refer note 14(e)

Note 31: Commitments and Contingencies
a) Capital Commitment
Estimated amount of contracts remaining to be executed on capital account (net of advances) and which have been provided for in the financial statmements, amounts to ₹ Nil (March 31, 2021 :₹ 0.46)

b) Contingent Liabilities
There are no claims against the company which are not acknowledged as debt as on March 31, 2022 and March 31, 2021.

Note 32: Segment Reporting
i) The company's operating segments are established on the basis of those components of the group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

ii) The Company is in business of wholesale dealers of automotive fuel pumps, filters, starter motors, wiper blades, accessories, emission controlling, engine combustion and calibration units, and other ancillary automotive modules & parts etc. The Management monitors the operating results and projections of the Company for the purpose of making decisions about resource allocation and future performance assessment.

iii) The Company operates within India and does not have operations in economic environments with different risks and returns.
iv) Major Customer: Four customers contributed 10% or more to the Company's revenue for March 31, 2022.

(All amounts are in lakh ₹ unless otherwise stated)

Note 33: 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, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund & Other Funds*	2.92	7.02
Employer's Contribution to Employee State Insurance	0.06	0.20

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

b) 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 acturial valuvation 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 Enacashment (Unfunded)
Present value of obligation		
April 01, 2020	6.04	4.62
Current service cost	1.96	2.53
Interest expense/ (income)	0.40	0.30
Total amount recognised in profit or loss	2.36	2.83
Remeasurements		
Gain due to change in financial assumptions	1.27	(0.15)
Loss due to experience	(3.52)	1.57
Gain due to change in demographic assumptions	(0.18)	(0.32)
Total amount recognised in OCI	(2.42)	1.11
Benefits Paid	-	(0.87)
March 31, 2021	5.97	7.69

Present value of obligation	Gratuity (Unfunded)	Leave Encashment (Unfunded)
April 01, 2021	5.97	7.69
Current service cost	1.67	1.48
Interest expense/ (income)	0.41	0.52
Total amount recognised in profit or loss	2.08	2.01
Remeasurements		
Gain due to change in financial assumptions	(0.64)	(0.42)
Loss due to experience	3.29	6.22
Gain due to change in demographic assumptions	-	-
Total amount recognised in OCI	2.66	5.80
Benefits Paid	-	(8.68)
March 31, 2022	10.71	6.81

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

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
i) Service Cost	1.67	1.96	1.48	2.53
ii) Interest Cost	0.41	0.40	0.52	0.30
iii) Remeasurements		-	5.80	1.11
	2.08	2.36	7.80	3.94

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(All amounts are in lakh ₹ unless otherwise stated)

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

	Gratuity (Unfunded)	
	2021-22	2020-21
Other Comprehensive Income (OCI)	2.66	(2.42)

f) Actuarial Assumptions

The significant acturial assumptions were as follows :

	March 31, 2022	March 31, 2021
Discount rate	7.22%	6.80%
Salary growth rate	5.00%	5.00%
Mortality	Indian assured lives mortality (2012-14) (modified) Ultimate	Indian assured lives mortality (2012-14) (modified) Ultimate
Withdrawal rate		
Upto 30 Years	10.00%	10.00%
From 31 to 44 years	3.00%	3.00%
Above 44 years	1.00%	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, 2022 is as shown below:

	Change in assumption		Impact on defined benefit obligation			
			Increase by		Decrease by	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Gratuity						
Discount rate	0.50%	0.50%	(0.71)	(0.31)	0.80	0.34
Salary growth rate	0.50%	0.50%	0.78	0.34	(0.73)	(0.32)
Leave Encashment						
Discount rate	0.50%	0.50%	(0.47)	(0.39)	0.50	0.42
Salary growth rate	0.50%	0.50%	0.52	0.42	(0.47)	(0.39)

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 period.

h) Defined benefit liability

The expected maturity analysis of undiscounted gratuity is as follows :

	As At March 31, 2022	As At March 31, 2021
Less than a year	0.42	0.02
Between 1-2 years	0.30	0.09
Between 2-3 years	0.29	0.12
Between 3-4 years	0.29	0.13
Between 4-5 years	0.25	0.13
Beyond 5 years	9.16	5.48
Total	**10.70**	**5.97**

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(All amounts are in lakh ₹ unless otherwise stated)

Note 34: Fair Value Disclosure

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:

	Carrying value		Fair value	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Financial Assets measured at Amortised Cost				
Bank deposits having remaining maturity of more than 12 months	17.58	16.48	17.58	16.48
Interest accrued on fixed deposits	0.07	0.07	0.07	0.07
Trade receivables	439.48	53.46	439.48	53.46
Investment in wholly owned subsidary	0.50	-	0.50	-
Cash and cash equivalents	47.91	1.01	47.91	1.01
Total	**505.54**	**71.02**	**505.54**	**71.02**
Financial Liabilities carried at Amortised Cost				
Short term borrowings	-	133.18	-	133.18
Trade payables	1,598.67	206.30	1,598.67	206.30
Other financial liabilities	-	18.46	-	18.46
Total	**1,598.67**	**357.94**	**1,598.67**	**357.94**

a) The Management has assessed that Trade Receivables, Cash and Cash Equivalents and Trade Payables approximate their carrying amounts largely due to the short-term maturities of these instruments.
b) All financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.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.
c) The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 35: Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value, and

b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets measured at Amortised Cost				
Bank deposits having remaining maturity of more than 12 months	17.58	-	-	17.58
Interest accrued on fixed deposits	0.07	-	-	0.07
Trade receivables	439.48	-	-	439.48
Investment in wholly owned subsidary	0.50	-	-	0.50
Cash and cash equivalents	47.91	-	-	47.91
Total	**505.54**	-	-	**505.54**

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities at Amortised Cost				
Short term borrowings	-	-	-	-
Trade payables	1,598.67	-	-	1,598.67
Other financial liabilities	-	-	-	-
Total	**1,598.67**	-	-	**1,598.67**

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets measured at Amortised Cost				
Bank deposits having remaining maturity of more than 12 months	16.48	-	-	16.48
Interest accrued on fixed deposits	0.07	-	-	0.07
Trade receivables	53.46	-	-	53.46
Cash and cash equivalents	1.01	-	-	1.01
Total	**71.02**	-	-	**71.02**

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities at Amortised Cost				
Short term borrowings	133.18	-	-	133.18
Trade payables	206.30	-	-	206.30
Other financial liabilities	18.46	-	-	18.46
Total	**357.94**	-	-	**357.94**

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The Company has an established control framework with respect to the measurement of fair values. The finance and accounts team that has overall responsibility for overseeing all significant fair value measurements and reports directly to the board of directors. The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as quotes from brokers or as available in public domain, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's board of directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the year ended 31 March 2022 and 31 March 2021.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.
For other financial liabilities/ assets that are measured at fair value, the carrying amounts are equal to the fair values.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 36: Financial Risk Management Objectives And Policies

The Company's principal financial liabilities comprise trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(I) 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.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings from Related party and other other borrowings are Nil as at reporting date, there is no volatility involved in respect of interest payout and hence interest rate sensitivity is not given.

b) 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 currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. The Company is not exposed to foreign currency risk as on March 31, 2022.

(II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from their operating activities, primarily trade receivables, which has outstanding balance of ₹439.48 as at March 31, 2022(March 31, 2021: ₹ 53.46). The customer credit risk is managed by Company as per established policy, procedures and control relating to customer credit risk management.

- Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.
- Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

(III) Liquidity risk

Liquidity risk is the risk that Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of Company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

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

	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2022				
Borrowings	-	-	-	-
Trade payables	1,587.55	11.12	-	1,598.67
Other financial liabilities	-	-	-	-
	1,587.55	**11.12**	-	**1,598.67**
As at March 31, 2021				
Borrowings	133.18	-	-	133.18
Trade payables	206.30	-	-	206.30
Other financial liabilities	18.46	-	-	18.46
	357.94	-	-	**357.94**

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(All amounts are in lakh ₹ unless otherwise stated)

Note 37: Capital Management

i) For the purpose of Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company.
ii) The primary objective of the Company's capital management is to maximise the shareholder value and also ensure ability to continue as a going concern. In order to maintain the optimal balance of Debt and Capital, the Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions.
iii) The Company monitors Capital & Debt balance using Capital Gearing ratio, which is net debt divided by total capital plus net debt:

Particulars	As At March 31, 2022	As At March 31, 2021
Borrowings (Refer note 17)	-	133.18
Trade Payables	1,598.67	206.30
Other Financial Liabilities	-	18.46
Other Current Liabilities	129.79	62.25
Less: Cash and Cash Equivalents (Refer note 12)	(47.91)	(1.01)
Adjusted Net Debt (A)	**1,680.55**	**419.18**
Equity Share Capital (Refer note 14)	3,099.63	3,099.63
Other Equity (Refer note 15)	(1,164.84)	(809.16)
Total Capital (B)	**1,934.79**	**2,290.47**
Net Debt and Capital (C=A+B)	**3,615.34**	**2,709.65**
Gearing Ratio [D=A/(C)]	**46.48%**	**15.47%**

a) No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and the year ended March 31, 2021.

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Sandhar Automotive Systems Private Limited
(Formerly Known as Sandhar Daewha Automotive Systems Private Limited)
Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 38: Ratio Analysis

Description	Numerator	Denomirator	As At March 31, 2022	As At March 31, 2021	% change	Reason for variance*
Current ratio	Current Assets	Current Liabilities	0.99	1.25	-20.71%	Not Applicable
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.00%	5.81%	-100.00%	Repayment of entire debt during the year has resulted in movement in ratio
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest + Principal Repayments	-11.26	-5.11	120.55%	Increase in net loss during the year as compared to last year has resulted in change in ratio.
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-16.74%	-11.39%	47.06%	Increase in material consumption and othe expenses with corresponding increase in net loss has resulted in change
Inventory Turnover ratio	Revenue	Average Inventory	4.22	6.96	-39.32%	Increase in inventory levels and change in business model has contributed to change in ratio
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.82	11.17	-47.90%	The increase in business volume during the last quarter of the year has resulted in increase in trade receivables for the year ended March 31, 2022
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.45	1.54	59.04%	The increase in business volume during the last quarter of the year has resulted in increase in trade payables for the year ended March 31, 2022
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-66.41	2.94	-2355.22%	The movement in ratio is mainly due to increase in trade payables.
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-24.66%	-88.57%	-72.16%	Increase in revenue has main contibution to change in ratio
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-15.44%	-11.10%	39.00%	Increase in material consumption and othe expenses with corresponding increase in net loss has resulted in change
Return on Investment	Interest (Finance Income)	Investment	0.00%	0.00%	0.00%	Not Applicable

* Reasons are explained for variance in which % of change is more than 25% as compared to previous year.

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Note 39:

No funds 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(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, direclty or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 40: Other Statutory Information

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

ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the current period.

Note 41: In view of the management, the current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet as at March 31, 2022.

Note 42: Figures have been rounded off to the nearest lakhs except otherwise stated.

For and on behalf of the Board of Directors
Sandhar Automotive Systems Private Limited (Formerly Known as Sandhar Daewha Automotive Systems Private Limited)

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Place of Signature:
Dated: 17 MAY 2022

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Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO.
CHARTERED ACCOUNTANTS
K-55, Connaught Circus, New Delhi-110001

Independent Auditor's Report

To The Members of Sandhar Automotive Systems Private Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Sandhar Automotive Systems Private Limited** (hereinafter referred to as **"the Holding Company")** and its Subsidiary (Holding Company and its subsidiary together referred to as **"the Group")** which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statement, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us and other information in respect of the Subsidiary, the aforesaid consolidated 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 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 consolidated state of affairs of the Group as at March 31, 2022, of the consolidated Loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on consolidated financial statements.

Information other than Consolidated Financial Statements and Auditor's Reports thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

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Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income ,consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing their financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 controls 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 Companies included in the Group has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial statements or, if such disclosures are

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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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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. With respect to the matters specified in the paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/"CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding and Subsidiary Companies which have been included in the consolidated financial statements of the Company & to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in those CARO reports.

2. 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of statutory auditors of Subsidiary Company.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and report of the statutory auditor of the Subsidiary Company, none of the directors is disqualified as on March 31, 2022 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Group does not have any pending litigations which would impact its financial position.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company.

iv.

a) The respective Managements of the Company and its subsidiary which are Companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the accounts, 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 or its Subsidiary 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its Subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Company and its subsidiary which are Companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or its Subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Subsidiary shall, 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 such audit procedures that has 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) & (b) above, contain any material mis-statement.

v. The Group has not declared or paid any dividend during the year.

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696
UDIN: 22073696AJCIXE4655

Place of Signature: New Delhi
Date: 17.05.2022

Annexure 'A' to the Independent Auditors' Report of even date on the Consolidated Ind AS Financial Statement of Sandhar Automotive Systems Private Limited

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

In conjunction with our audit of the consolidated financial statements of **Sandhar Automotive Systems Private Limited** ("the Holding Company") and its subsidiary (together referred to as "the Group") as at and for the year ended March 31, 2022, we have audited the internal financial controls of the Holding Company and its Subsidiary, which are companies covered under the Act and incorporated in India, as at that date.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Holding Company and its subsidiary, which are incorporated in India and covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility
Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained in terms of report of statutory auditor of subsidiary company is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements of the Holding Company and its subsidiary, as aforesaid.

Meaning of Internal Financial Controls with reference to financial statements
A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 Ind AS 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 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.

B.R. GUPTA & CO. CHARTERED ACCOUNTANTS NEW DELHI

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements 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 ICAI.

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696
UDIN: 22073696AJCIXE4655

Place of Signature: New Delhi
Date: 17.05.2022

Sandhar Automotive Systems Private Limited
Consolidated Balance Sheet as at March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Particulars	Note No.	As At March 31, 2022
Assets		
Non-Current Assets		
(a) Property, Plant and Equipment	3	1,685.92
(b) Other Intangible Assets	4	1.12
(c) Financial Assets		
(i) Other Financial Assets	5	17.65
(d) Deferred Tax Assets (net)	7	267.13
(e) Non-Current Tax Assets (Net)	6	0.63
(f) Other Non-Current Assets	12	-
Total Non-Current Assets		**1,972.45**
Current Assets		
(a) Inventories	8	631.38
(b) Financial Assets		
(i) Trade Receivables	9	439.40
(ii) Cash and Cash Equivalents	10	48.41
(iii) Bank Balances other than (ii) above	11	-
(c) Other Current Assets	12	589.04
Total Current Assets		**1,708.23**
Total Assets		**3,680.68**
Equity And Liabilities		
Equity		
(a) Equity Share Capital	13	3,099.63
(b) Other Equity	14	(1,165.24)
Total Equity		**1,934.39**
Liabilities		
Non-Current Liabilities		
(a) Provisions	15	16.57
Total Non-Current Liabilities		**16.57**
Current Liabilities		
(a) Financial Liabilities		
(i) Trade payables	16	
(A) total outstanding dues of micro enterprises and small enterprises; and		224.12
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,374.86
(b) Other Current Liabilities	17	129.79
(c) Provisions	15	0.95
Total Current Liabilities		**1,729.72**
Total Equity And Liabilities		**3,680.68**
Summary of significant accounting policies	2.1	

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Place of Signature:
Date: 17 MAY 2022

Sandhar Automotive Systems Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2022
I	Revenue from Operations	18	1,435.69
II	Other Income	19	1.33
III	**Total Income (I+II)**		**1,437.02**
IV	**Expenses**		
	(a) Cost of Materials Consumed	20	1,554.53
	(b) Changes in Inventories of Finished Goods and Work in Progress	21	(264.65)
	(c) Employee Benefits Expense	22	66.34
	(d) Finance Costs	23	57.52
	(e) Depreciation And Amortisation Expense	24	178.34
	(f) Other Expenses	25	201.01
	Total expenses		**1,793.09**
V	Profit/ (loss) before exceptional items and tax (III-IV)		**(356.07)**
VI	Exceptional Items		
	Diminution in value of Long Term Investments		0.50
VII	**Profit/ (Loss) before tax**		**(356.57)**
VIII	**Tax expense:**		
	(a) Current tax		-
	(b) Deferred tax	7	3.06
	(c) Income tax adjustment for earlier year		(0.60)
	Total tax benefits/(expense)		**2.46**
IX	**Profit/ (Loss) for the year**		**(354.11)**
X	**Other Comprehensive Income**		
	(i) Items that will not be reclassified subsequently to Profit and Loss		
	(a) Re-measurement gains/ (losses) on defined benefit plans		(2.66)
	(ii) Income tax on items that will not be reclassified subsequently to Profit & Loss		0.69
	Other Comprehensive Gain/(Loss)		**(1.97)**
XI	**Total Comprehensive Gain/(Loss)**		**(356.08)**
XII	**Earnings/(loss) Per Share (face value ₹ 10 per share)**	26	
	1) Basic (amount in ₹)		(1.14)
	2) Diluted (amount in ₹)		(1.14)

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited

(Yatendra Singh Chauhan)
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DIN: 03555013

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DIN. 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Place of Signature:
Date: 17 MAY 2022

Sandhar Automotive Systems Private Limited

Consolidated Statement of Cash Flow for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Particulars	For the year ended March 31, 2022
Cash Flow From Operating Activities	
Loss before tax	**(356.57)**
Adjustments for:	
Depreciation And Amortisation Expense	178.34
Finance Cost	57.52
Interest Income	(1.22)
Operating profit before working capital changes	**(121.93)**
Movement in working capital	
Increase In Inventories	(583.62)
Increase In Trade Receivables	(385.94)
Increase In Other Current And Non-Current Financial Assets	(1.10)
Increase In Other Current And Non-Current Assets	(166.82)
Increase In Trade Payables	1,392.67
Increase In Current And Non-Current Provisions	1.20
Increase In Other Current And Non-Current Liabilites	67.54
Cash generated from /(used in) operating activities post working capital changes	**202.00**
Income tax paid (net)	(0.43)
Net cash generated from/(used in) used in operating activities (A)	**201.57**
Cash Flows From Investing Activities	
Purchase of Property, Plant And Equipment	53.77
Increase in Creditors for Capital Expenditure	(18.46)
Interest Received From Deposits	1.22
Net cash generated from investing activities (B)	**36.53**
Cash Flows From Financing Activities	
Proceeds From Issue Of Share Capital	-
Proceeds From Short Term Borrowings	(133.18)
Finance Costs Paid	(57.52)
Net cash used in financing activities (C)	**(190.70)**
Increase/(decrease) in cash and cash equivalents (A+B+C)	47.40
Cash and cash equivalents at the begining of the year	1.01
Cash and cash equivalents at the end of the year	**48.41**
Components of cash & Cash Equivalent	
Cash on hand	-
With banks - on current account and deposits with banks	48.41
Total Cash and Cash equivalent (Note No. 10)	**48.41**

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

For and on behalf of the Board of Directors of Sandhar Automotive Systems Private Limited

(Yatendra Singh Chauhan)
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DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Sandhar Automotive Systems Private Limited

Place of Signature:
Date: 17 MAY 2022

Sandhar Automotive Systems Private Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2022
(All amounts are in lakh ₹ unless otherwise stated)

		Amount
A	**Equity Share Capital**	
	Opening Balance as at April 01, 2021	**3,099.63**
	Issue of share capital	-
	Closing Balance as at March 31, 2022	**3,099.63**

B Other equity

For the year ended March 31, 2022

Description	Reserves and Surplus	Total
	Retained earnings	
Balance as at April 01, 2021	**(809.16)**	**(809.16)**
Loss for the year	(354.11)	(354.11)
Remeasurement of defined benefit plan (net of tax)	(1.97)	(1.97)
Balance as at March 31, 2022	**(1,165.24)**	**(1,165.24)**

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership Number 073696

For and on behalf of the Board of Directors of
Sandhar Automotive Systems Private Limited

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Place of Signature:
Date: 17 MAY 2022

Sandhar Automotive Systems Private Limited

Sandhar Automotive Systems Private Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in lakh ₹ unless otherwise stated)

Note 1: Group Overview

Sandhar Automotive Systems Private Limited (incorporated originally as Sandhar Daewha Automotive Systems Private Limited on 20th January 2017) and its subsidiary (refer to sub-note 'Principles of Consolidation' below) together referred to as 'the Group' is domociled in India. The companies under the Group are incorporated under the provision of Companies Act, 2013.
The Group is primarily engaged in the business of manufacture, service, import, export, trade, promote, pack, repack, assemble, reassemble, design, modify, buy, sell, repair and otherwise to act as wholesale dealers of all kinds of automotive fuel pumps, filters, starter motors, wiper blades, accessories, emission controlling, engine combustion and calibration units, and other ancillary automotive modules & parts, 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 details of Subsidiary considered in these consolidated financial statements are as under:

Name of Company	Country of Incorporation	Principal Activities	Proportion (%) of equity Interest
			As at March 31, 2022
Sandhar Autotech Private Limited (under the process of strike off)	India	Auto Ancilliary	99.98%
Sandhar Auto Electric Technologies Private Limited*	India	Manufacturing, assembling, installations, commissioning, supply and trading of parts/ components of Vehicles	99.98%

* The financial statements of the Company were for the period January 29, 2021 to March 31, 2022; being the subsidiary Company's first financial statements and accordingly no comparatives are prepared for the Consolidated Financial Statements of the Group as a whole

Note 2: Statement of Compliance:

Statement of Compliance: In accrordance with the notification issued by Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2017.

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 on accrual and going concern basis 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 Lakhs upto two decimal places except otherwise stated.

Going Concern

The board of directors have considered the financial position of the Group as at March 31, 2022, the projected cash flows and financial performance of the Group for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for profitability remains on course. The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Group's operations.

Impact Assessment of COVID-19

The comapnies under the Group believes that COVID 19 is not likely to have any material impact on its financial statements, liquidity or ability to service its debt or other obligations. However, the overall economic environment, being uncertain due to COVID 19, may affect the underlying assumptions and estimates in future, which may differ from those considered as at the date of approval of these financial statements. The Group would closely monitor such developments in future economic conditions and consider their impact on the financial statements of the relevant periods.

Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2022:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2022:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Group has evaluated the amendment and there is no impact on its financial statements.

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sandhar Automotive Systems Private Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

New Accounting Pronouncements effective from April 1, 2021:

The new accounting pronouncements pursuant to amendment under Ind As 103, Ind As 104, Ind As 116 effective from April 01, 2021 donot have impact on the net worth, financial position, financial performace or on the cash flow of the Group

Note 2.1 : Significant Accounting Policies

a) Significant accounting judgements, estimates and assumptions

The preparation of the Group'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.

i) **Judgements:**

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

ii) **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 Group 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 Group. 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.

Useful lives of property, plant and equipment

The Group 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.

Defined benefit plans

The present value of the gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the group, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur, the assessment of the existence, and potential quantum, of contingencies inherently involves exercise of significant judgements and the use of estimates regarding outcome of future events.

b) **Basis of Subsidiary Consolidation :**

The Consolidated financial statement of the Group including of subsidiary company have been prepared in accordance with the Ind AS 110 "Consolidated financial statements", on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in unrealized profits or losses. Accounting policies of subsidiaries have been aligned wherever necessary to ensure consistency with policies adopted by Group including considering the materiality impact. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the group in the same form in which they appeared in financial statements of the acquired entity. The difference of the cost to the Group of its investment in subsidiaries over its share in the equity of investee Group as at the date of acquisition of stake is recognised in financial statements as Goodwill or Capital Reserve, as the case may be.

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests in the net assets of consolidated subsidiary is identified and presented in the consolidated Balance Sheet separately within equity of the Group's shareholders.

Non-controlling interests in the net assets of consolidated subsidiary consists of:
a. The amount of equity attributable to Non-controlling interests at the date on which investment in a subsidiary is made; and
b. The Non-controlling Interests share of movements in equity since the date parent subsidiary relationship came into existence.

The Consolidated Financial Statements are presented, to the extent possible, in the same format as adopted by the parent Group for its individual financial statements.

Sandhar Automotive Systems Private Limited

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sandhar Automotive Systems Private Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

c) Current versus non-current classification

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

Assets:

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) 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 assets.

Liabilities:

A liability is current when:

(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) 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 Group has identified normally twelve months as its operating cycle.

d) 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 except in the following cases where useful life has been estimated by the Management :-

Assets	As per Schedule II	As per Management Assessment
Motor Vehicles	8 years	6 years
Servers & Networks	6 years	3 years
Tools	15 years	6 years

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. Assets costing up to ₹5,000 are fully depreciated in the year of acquisition. Further, the Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined seperately. 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 Group 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.

e) **Intangible Assets**

Recognition and measurement

Intangible Assets with finite useful lives are stated at cost less accumulated amortization and impairment loss, if any.

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

f) **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.

g) **Foreign Currencies**

Functional and presentational currency

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

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Transactions and balances

Transactions in foreign currencies are initially recorded by the Group 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.

h) Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. To recognize revenues, the Group apply the following five step approach:

(1) Identify the contract with a customer

(2) identify the performance obligations in the contract

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract

(5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the goods sold & services rendered:

(i) Local Sales & Job Work :

Local Sales are to be recognized at the point of dispatch of goods to the customers & sales are reported net of trade discount and sales tax, and inclusive of packing charges.

(ii) Rendering of services :

Revenue from the Installation & Commissioning services and income from shared services is to be recognised by reference to the stage of completion. Stage of completion is measured by reference to cost incurred to date as a percentage of total estimated cost for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(iii) Other Income: Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

I) Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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Short term leases and leases of low value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

j) **Inventories**

Inventories are valued at the lower of cost and net realizable value. The cost of raw material is determined on the basis of First-in-First-Out (FIFO) method.
- The cost of manufactured finished goods and work-in-progress includes raw material value determined on the basis of First-in-First-Out (FIFO) method and includes conversion and other costs incurred in bringing the inventories to their present location and condition.
- Stores & Consumables, Packing Materials, Tools & Dies are valued at lower of net realizable value or cost on the basis of First-in-First-Out (FIFO) Method.
- Stock in Transit is valued at lower of cost and net realizable value. Scrap is valued at estimated net realizable value.

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 Group during an accounting period, the Group 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.

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.

Defined Benefit Plan
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group 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 Group 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 under 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 Group'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 Group 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.

l) **Provisions**

Provisions are recognised when the Group 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 Group 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.

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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)

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:
(i) The contractual rights to receive cash flows from the asset has expired, or
(ii) The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) theGroup 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 Group'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)

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.

Offsetting of financial instruments

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

n) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Group 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 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 Group 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 Group'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.

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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 Group. 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 Group 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 Group 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).

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 is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 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.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period. In accordance with Ind AS 12 Group is grouping MAT credit entitlement with Deferred Tax Assets / Liability (Net).

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 Group's cash management.

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s) **Earnings Per Share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Group 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 Group 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.

u) **Segment Reporting**

The Group has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to make strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

v) **Statement of Cash Flows**

Cash flows are reported using the indirect method,where by profit for the period is adjusted for the effects of transactions of a non-cash nature,any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.The cash flows from operating,investing and financing activities of the Group are segregated.The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents

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Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 3: Property, Plant and Equipment

Particulars	Leasehold improvement	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total
Gross Carrying Value (Deemed Cost)							
As at April 01, 2021	43.11	2,209.03	2.14	19.77	6.89	18.00	2,298.94
Additions made during the year	-	0.17	-	-	-	0.69	0.85
Disposals/adjustments during the year							-
As at March 31, 2022	43.11	2,209.19	2.14	19.77	6.89	18.69	2,299.79
Accumulated depreciation							
As at April 01, 2021	43.11	365.83	1.49	7.90	3.45	14.85	436.62
Depreciation charge for the year	-	169.27	0.15	3.72	1.14	2.96	177.24
Disposals/adjustments during the year							
As at March 31, 2022	43.11	535.10	1.64	11.62	4.59	17.81	613.87
Net Carrying Value							
As at March 31, 2022	0.00	1,674.09	0.50	8.15	2.30	0.88	1,685.92

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(All amounts are in lakh ₹ unless otherwise stated)

Note 4: Other Intangible Assets

Particulars	Software	Total
Gross Carrying Value (Deemed Cost)		
As at April 01, 2021	5.28	5.28
Additions made during the year	-	
Disposals/adjustments during the year	-	
As at March 31, 2022	**5.28**	**5.28**
Amortisation		
As at April 01, 2021	**3.06**	**3.06**
Amortisation charge for the year	1.10	1.10
Disposals/adjustments during the year		
As at March 31, 2022	**4.16**	**4.17**
Net Carrying Value		
As at March 31, 2022	**1.12**	**1.12**

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Note 5: Other Financial Assets	Non-Current As At March 31, 2022	Current As At March 31, 2022
Bank deposit with original maturity of more than 12 months (remaining maturity more than 12 Months)	17.58	-
Interest accrued on fixed deposits	0.07	-
	17.65	-

a) Fixed Deposits with a carrying amount of ₹17.58 represents margin money against bank guarantees issued with Custom Authorities.

Note 6: Non-Current Tax Assets (Net)	As At March 31, 2022
Advance income-tax (TDS Recoverable)	0.63
	0.63

Note 7: Income Tax
The major components of income tax expense for the year ended March 31, 2022 are:

Statement of Profit and Loss	As At March 31, 2022
Tax Expenses:	
a) Current tax	-
b) Deferred tax	3.06
(c) Income tax adjustment for earlier year	(0.60)
Income tax benefit/(expense) reported in the Statement of Profit or Loss	2.46

Other Comprehensive Income (OCI) Section: Deferred tax related to items recognised in OCI during the year	As At March 31, 2022
Deferred Tax Expenses/(Income) on Net loss/gain on remeasurements of defined benefit plans	0.69
Net amount charged to OCI	0.69

Deferred Tax Assets/ (Liability) (Net)

Particulars	As At March 31, 2022
Gross Deferred Tax Assets	413.67
Gross Deferred Tax Liabilities	(146.54)
Deferred Tax Assets/ (Liability) (Net)	267.13

Movement in Deferred Tax Assets (Net)

Particulars	As At April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2022
Deferred tax assets relates to the following:				
Provision For Compensated Absences	2.00	(0.23)	-	1.77
Provision For Gratuity	0.92	1.86	0.69	3.47
Provision For Labour Welfare Fund	-	0.01	-	0.01
Bonus Payable	-	0.18	-	0.18
Custom duty payable	0.00	-	-	-
Unabsorbed Depreciation And Business Losses	405.38	2.86	-	408.24
Others	0.27	(0.27)	-	0.00
Deferred tax liability relates to the following:		-	-	-
Property, Plant & Equipment And Intangible Assets	(145.19)	(1.35)	-	(146.54)
Others	0.00	-	-	-
Total	263.38	3.06	0.69	267.13

Reconciliation of tax expense and the accounting profit multiplied by India's Domestic tax rate for March 31, 2022

	As At March 31, 2022
Accounting (Loss)/ profit before tax	(356.07)
Applicable tax rate	26%
Expected tax expense [A]	(92.58)
Lapsed unused carry forward losses for two assessment years	90.53
Adjustments in respect of current income tax of previous ye.	0.60
Others	(1.01)
Total adjustments [B]	90.12
Actual tax expense [C=A+B]	(2.46)
Total tax incidence	2.46
Tax expense recognized in Statement of Profit & Loss	2.46

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The applicable tax rate is the rate applicable to domestic Company – March 31, 2022 : 26.00% (March 31, 2021 : 26.00%)

Note 8: Inventories	**As At March 31, 2022**
Raw Materials	350.19
Finished Goods	281.19
	631.38

a) For mode of valuation Refer Accounting Policy on Inventory Valuation in Note 2.1

Note 9: Trade Receivables	**As At March 31, 2022**
Trade Receivables Considered Good- Unsecured*	439.40
Trade Receivables Considered Good- Secured	-
	439.40

a) Amount includes dues from related parties (refer note 27)

b) Trade Receivables ageing schedule as on March 31, 2022

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	439.40	-	-	-	-	439.40
(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						439.40

c) Trade Receivables are non interest bearing and generally on terms of not more than 90 days.

Note 10: Cash and Cash Equivalents	**As At March 31, 2022**
Balances With Banks	
Current Accounts	48.41
Cash In Hand	-
	48.41

a) For the purpose of the statement of cash flow, cash and cash equivalents are same given above.

Note 11 : Bank Balance Other Than Cash and Cash Equivalents	**Non-Current** As At March 31, 2022	**Current** As At March 31, 2022
Bank deposits having remaining maturity of more than 12 months	17.58	-
	17.58	-
Amount disclosed under "Other Financial Assets" **(Refer note 5)**	(17.58)	-

Note 12: Other Assets	**Non-Current** As At March 31, 2022	**Current** As At March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Advances to Vendors	-	7.24
Balances With Government Authorities	-	494.98
Prepaid Expenses	-	3.77
Advance To Employees	-	0.10
Other Recoverable	-	82.95
	-	589.04

a) Other Recoverable includes ₹ 59.27 Lakhs on account of IGST tax paid and credit availed by the Holding Company pursuant to surrender of EPCG license (EPCG license no. 0530173470 dated :04.12.2018, BOE no. 9286786). The Company has paid the said tax in the month of May 2022.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 13: Equity Share Capital

	As At March 31, 2022
Authorised	
32,000,000 Equity Share of ₹ 10 each*	3,200.00
	3,200.00
Issued, subscribed and fully paid up	
30,99,6286 Equity Share of `₹ 10 each*	3,099.63
	3,099.63

Reconciliation of authorised share capital at the beginning of the year and at the end of year

Particulars	No of shares*
Balance as at April 01, 2021	**32,000,000**
Changes during the year	-
Balance as at March 31, 2022	**32,000,000**

Reconciliation of issued and subscribed share capital at the beginning and at the end of year

Particulars	No of shares*
Balance as at April 01, 2021	**30,996,286**
Issued during the year	-
Balance as at March 31, 2022	**30,996,286**

b) **Terms/Rights attached to the equity shares**

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

c) **Number of shares held by each shareholder holding more than 5% Shares in the Company**

Particulars	As At March 31, 2022	
	No of shares*	% Holding
Sandhar Technologies Limited	30,996,285	100.00%
Daewha Fuel Pump Ind. Limited	-	0.00%

*1 Equity Share is held by Shri Jayant Davar

d) **Details of shares held by promoters**

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year (refer note 'e' below)	No. of shares at the end of the year	% of Total Shares	% change during the year
1	Sandhar Technologies Limited Equity shares of ₹10 each fully paid	16,173,143	14,823,142	30,996,285	99.99%	47.81%
2	Daewha Fuel Pump Ind.Limited Equity shares of ₹10 each fully paid	14,823,143	(14,823,143)	-	0.00%	-47.82%
3	Shri Jayant Davar Equity shares of ₹10 each fully paid	-	1	1	0.01%	0.01%
Total		30,996,286	-	30,996,286	100.00%	0.00%

e) As per Share Purchase Agreement (SPA) executed on December 06,2021, the Joint Venture (JV) parties i.e., Sandhar Technologies Limited(STL) and Daewha Fuel Pump Ind. Limited (DFPL) entered into mutual agreement pursuant to which STL has agreed to acquire 1,48,23,143 equity shares held by DFPL constituting 47.82% of share capital of Company for a lumpsum consideration as agreed in the SPA.

In effect of above, all the terms, conditions and obligations has set out in original JV Agreement between JV parties stands terminated and shareholding of the Company to the extent of 99.99% of the total share capital is held by STL.

* Number of Shares are given in absolute numbers.

Note 14: Other Equity

	As At March 31, 2022
Retained Earnings	
Balance at the beginning of the year 01 April 2021	(809.16)
Add: Profit for the year after taxation as per statement of Profit and Loss	(356.08)
Balance at the end of the year	(1,165.24)

a) For Movement during the year in Other Equity, refer "Statement of Change in Equity".

b) **Nature and purpose of other reserves**

Retained Earnings: All the profits or losses made by the Group are transferred to retained earnings from Statement of Profit and Loss.

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Note 15: Provisions

	Non-Current As At March 31, 2022	Current As At March 31, 2022
Provision for Employee Benefits (Refer Note 33)		
- Compensated Absenses	6.29	0.53
- Gratuity	10.28	0.42
	16.57	0.95

Note 16: Trade Payables

	As At March 31, 2022
- Outstanding Dues to Micro and Small Enterprises	224.12
- Outstanding Dues To Parties Other Than Micro And Small Enterprises	1,374.86
	1,598.98

a) Trade Payables are non-interest bearing and are normally settled on 90-day terms except for SME's (if any) which are settled within 45 days.
b) Amount includes dues to related parties (refer note 30)
c) The company's exposure to market and liquidity risk related to trade payables is disclosed in note 37.
d) As per Schedule III of the Companies Act, 2013 and as certified by the Management, the amount due to Micro & Small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	224.11	47.47
ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.89	0.03
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

e) The amount does not include any amount due to be transferred to Investor Protection and Education fund.

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled Dues	
(i) MSME	224.12	-	-	-	-	224.12
(ii) Others	1,361.00	11.12	-	-	2.74	1,374.86
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

Note 17: Other Current Liabilities

	As At March 31, 2022
Statutory dues	129.10
Advance from customers	0.69
	129.79

a) Amount includes dues to related parties of Nil.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 18: Revenue From Operations	For the year ended March 31, 2022
Sale of Product	1,434.52
Other Operating Revenues	
Sale of Scrap	1.17
	1,435.69

a) Performance Obligation

Revenue is recognised upon transfer of control of products to the customers.

During the year, the Group has not entered into long term contracts with customers and accordingly disclsoure of unsatisfied or remaining performance obligation (which is affected by several factors like changes in scope of contracts, periodic revalidations, adjustment for revenue that has not been materialized, tax laws etc.) is not applicable to the Group.

b) Disaggregation of Revenue: The table below presents disaggregated revenues from contracts with customers on the basis of geographical spread of the operations of the Group. These revenues are revenues which have been recognised at point in time. The Group believes that this disaggregation best depicts how the nature, amount of revenues and cash flows are affected by market and other economic factors:

Particulars Revenue by geography	For the year ended March 31, 2022
- Within India	1,423.40
- Outside India	11.12
	1,434.52

Revenue customer wise	For the year ended March 31, 2022
- Related party	646.85
- Non-related party	787.67
	1,434.52

c) For disclsoures in respect of Revenue recognised in relation to contract liabilities and Significant changes in contract assets and liabilities, refer financial statements of respective company in the group

d) Reconciliation of Revenue from operations with contracted price	For the year ended March 31, 2022
Contracted Price	1,518.98
Less: Discounts and Other Schemes	(84.46)
	1,434.52

e) Trade Receivables and Contract Balances

For Trade Receivables, refer Note No.9.

Further, the Group has no contracts where the period between the transfer of the promised goods or services to the customer and payment terms by the customer exceeds one year. In light of above;
- it does not adjust any of the transaction prices for the time value of money, and
- there is no unbilled revenue as at March 31, 2022.

Note 19: Other Income	For the year ended March 31, 2022
Interest income on	
- Bank deposits	1.22
Miscellaneous Income	0.11
	1.33

Note 20: Cost of Materials Consumed	For the year ended March 31, 2022
Inventories at the beginning of the year	26.28
Add: Purchases	1,878.43
Less: Inventory at the end of the year	(350.19)
	1,554.53

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Note 21: Changes In Inventories of Finished Goods and Work-In-Progress	**For the year ended March 31, 2022**
Opening stock	
Finished goods	16.54
	16.54
Closing stock	
Finished goods	281.19
	281.19
	(264.65)

Note 22: Employee Benefits Expenses	**For the year ended March 31, 2022**
Salaries, Wages And Bonus	52.37
Contribution To Provident And Other Funds (Refer Note 30)	2.92
Gratuity Expense (Refer Note 30)	2.08
Compensated Absences (Refer Note 30)	7.81
Staff Welfare Expenses	1.16
	66.34

Note 23: Finance Cost	**For the year ended March 31, 2022**
Interest Cost	
- Interest On Loans	13.71
- Interest on Custom Duty (EPCG)	41.95
- Interest to Others	1.86
	57.52

Note 24: Depreciation and Amortisation Expense	**For the year ended March 31, 2022**
Depreciation Of Property, Plant And Equipment	177.24
Amortisation Of Intangible Assets	1.10
	178.34

Note 25: Other Expenses	**For the year ended March 31, 2022**
Packing Material Consumed	8.77
Stores & Spares Consumed	1.00
Power & Fuel	6.26
Repairs & Maintenance - Plant And Machinery	1.69
- Others	6.41
Rent & Hire Charges	13.24
Rates & Taxes	25.71
Security Service Charges	12.72
Insurance	5.67
Travelling & Conveyance	1.36
Legal & Professional Fees	53.75
Payment To Auditors (Refer Note 'a' below)	1.80
Loss On Foreign Exchange Fluctuations	0.01
Bank Charges	0.20
Freight and Forwarding	1.89
Capital work in progress written off	59.15
Miscellaneous Expenses	1.38
	201.01

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(All amounts are in lakh ₹ unless otherwise stated)

	For the year ended March 31, 2022
a) Details of payment made to auditors is as follows:	
As auditor:	
Statutory audit	1.05
Other services	0.75
	1.80

Note 26: Earnings Per Share

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the period/year whereas Diluted Earning per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

	For the year ended March 31, 2022
(Loss)/profit attributables to the equity holders	(354.11)
Number of equity shares	30,996,286
Weighted average number of shares used in basic earnings per share	30,996,286
Weighted average number of shares used in diluted earnings per share	30,996,286
Basic earnings per share (in ₹) (face value ₹ 10 per share)	(1.14)
Diluted earnings per share (in ₹) (face value ₹ 10 per share)	(1.14)

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Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 27: Disclosure of Related Party Transactions

a) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Holding Company
Sandhar Technologies Limited (w.e.f. December 06, 2021)

Joint Venture (Upto December 05, 2021)
Sandhar Technologies Limited
Daewha Fuel Pumps Ind. Ltd.

Enterprise over which Holding Company has control
Sandhar Amkin Industries Private Limited

Key Management Personnel (KMP)
Mr. Kyeong Ryeol Kim (Director) (Upto 08.12.2021)
Mr. Rajesh Agarwal (Director)
Mr. Yatendra Singh Chauhan (Director)
Mr. Jae Gweon Yang (Director) (Upto 08.12.2021)
Mr. Ashish Vatsa (Chief Executive Officer) w.e.f February 01, 2022
Mr. Naveen Kumar (Chief Financial Officer) w.e.f February 01, 2022
Ms. Sakshi Goyal (Company Secretary) w.e.f October 27, 2021
Ms. Bhavya Sachwani (Company Secretary) till October 24, 2021

b) Transactions during the period with related parties

S. No.	Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Holding Company	Holding Company	Enterprise over which Holding Company has control	Enterprise over which Holding Company has control	Wholly Owned Subsidary	Wholly Owned Subsidary	Joint Venture	Joint Venture	Key Management Personnel (KMP)	Key Management Personnel (KMP)
1	**Issue/ Allotment of Share Capital**										
	Sandhar Technologies Limited					-	-	-	120.00	-	-
2	**Sale of Products**										
	Sandhar Technologies Limited					-	-	635.74	269.87	-	-
	Daewha Fuel Pumps Ind. Ltd.					-	-	11.12	33.65	-	-
3	Purchase of Raw Material										
	Sandhar Technologies Limited	1,082.67	-	-	-	-	-	832.88	9.02	-	-
	Daewha Fuel Pumps Ind. Ltd.	-	-	-	-	-	-	0.16	-	-	-
	Sandhar Amkin Industries Private Limited	-	-	16.01	-						
4	**Purchase of Fixed Assets**										
	Sandhar Technologies Limited	0.81	-	-	-	-	-	-	-	-	-
	Daewha Fuel Pumps Ind. Ltd.	-	-	-	-	-	-	-	-	-	-
5	**Interest Expenses**										
	Sandhar Technologies Limited					-	-	13.73	14.78	-	-
6	**Rent charges**										
	Sandhar Technologies Limited	15.16	-	-	-	-	-	0.14	0.24	-	-
7	**Loan taken**										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	45.00	-	-
8	**Loan Repaid**										
	Sandhar Technologies Limited	133.18	-	-	-	-	-	-	-	-	-
9	**Advance received for goods**										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	60.44	-	-
10	Expenses incurred on our behalf										
	Sandhar Technologies Limited	0.90					-	65.18	12.72	-	-
11	Remuneration paid (including reimbursement if any)*										
	Mr. Naveen Kumar					-	-	-	-	1.76	-
	Ms.Sakshi Goyal					-	-	-	-	1.33	-
	Ms. Bhavya Sachwani									1.99	2.69
	Mr. Ashish Vatsa		-	-	-	-		-	-	2.91	-

* Does not include the provision made for Gratuity and Compensated absences as they are determined on an actuarial basis for all the employees together.
** Provision for diminuition in investment made @ Rs 0.50 Lakhs

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c) Outstanding Balances with related parties

S. No.	Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Holding Company	Holding Company	Enterprise over which Holding Company has control	Enterprise over which Holding Company has control	Subsidary	Subsidary	Joint Venture	Joint Venture	KMP	KMP
1	**Trade Payables**										
	Sandhar Technologies Limited	1,312.04	-	-	-	-	-	-	129.27	-	-
	Daewha Fuel Pump Ind. Ltd	-	-	-	-	-	-	-	-	-	-
	Sandhar Amkin Industries Private Limited	-	-	15.95							
	Ms Bhavya Sachwani					-	-	-	-	-	0.26
	Ms Sakshi Goyal					-	-	-	-	0.26	-
	Mr. Naveen Kumar					-	-	-	-	0.88	-
	Mr. Ashish Vatsa	-	-	-	-	-	-	-	-	1.19	-
2	**Trade Receivables**										
	Sandhar Technologies Limited	-	-	-	-	94.35	-	-	47.96	-	-
	Daewha Fuel Pump Ind. Ltd	-	-	-	-	-	-	-	5.50	-	-
3	**Borrowings**										
	Sandhar Technologies Limited	-	-	-	-	-	-	-	133.18	-	-

d) **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.

e) In respect of transfer of share between Sandhar Technologies Limited (STL) and Daewha Fuel Pump Ind. Limited (DFPL), refer note 14(e)

Note 28: Commitments and Contingencies
a) Capital Commitment
Estimated amount of contracts remaining to be executed on capital account (net of advances) and which have been provided for in the financial statmements, amounts to ₹ Nil (March 31, 2021 :₹ 0.46)

b) Contingent Liabilities
There are no claims against the Group which are not acknowledged as debt as on March 31, 2022

Note 29: Segment Reporting
i) The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

ii) The Group is in business of wholesale dealers of automotive fuel pumps, filters, starter motors, wiper blades, accessories, emission controlling, engine combustion and calibration units, and other ancillary automotive modules & parts etc. The Management monitors the operating results and projections of the Group for the purpose of making decisions about resource allocation and future performance assessment.

iii) The Group operates within India and does not have operations in economic environments with different risks and returns.
iv) Major Customer: Four customers contributed 10% or more to the Group's revenue for both March 31, 2022

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(All amounts are in lakh ₹ unless otherwise stated)

Note 30: Employee Benefits (Disclosure of Holding Company)

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

Particulars	For the year ended March 31, 2022
Employer's Contribution to Provident Fund & Other Funds*	2.92
Employer's Contribution to Employee State Insurance	0.06

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

b) 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 Group 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 Group 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 Group makes provision of such gratuity asset or liability in the books of accounts on the basis of acturial valuvation as per the projected unit credit method in accordance with Ind As 19.

ii) Leave Encashment

The Group 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:

Present value of obligation	Gratuity (Unfunded)	Leave Encashment (Unfunded)
April 01, 2021	5.97	7.69
Current service cost	1.67	1.48
Interest expense/ (income)	0.41	0.52
Total amount recognised in profit or loss	2.08	2.01
Remeasurements		
Gain due to change in financial assumptions	(0.64)	(0.42)
Loss due to experience	3.29	6.22
Gain due to change in demographic assumptions	-	-
Total amount recognised in OCI	2.66	5.80
Benefits Paid	-	(8.68)
March 31, 2022	10.71	6.81

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

	Gratuity (Unfunded) 2021-22	Leave Encashment (Unfunded) 2021-22
i) Service Cost	1.67	1.48
ii) Interest Cost	0.41	0.52
iii) Remeasurements	-	5.80
	2.08	7.80

e) Amount included on account of measurement in Gratuity Valuation - OCI	Gratuity (Unfunded) 2021-22
Other Comprehensive Income (OCI)	2.66

f) Actuarial Assumptions

The significant acturial assumptions were as follows :

	March 31, 2022
Discount rate	7.22%
Salary growth rate	5.00%
Mortality	Indian assured lives mortality (2012-14) (modified) Ultimate
Withdrawal rate	
Upto 30 Years	10.00%
From 31 to 44 years	3.00%
Above 44 years	1.00%

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(All amounts are in lakh ₹ unless otherwise stated)

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, 2022 is as shown below:

	Change in assumption	Impact on defined benefit obligation	
		Increase by	Decrease by
	March 31, 2022	**March 31, 2022**	**March 31, 2022**
Gratuity			
Discount rate	0.50%	(0.71)	0.80
Salary growth rate	0.50%	0.78	(0.73)
Leave Encashment			
Discount rate	0.50%	(0.47)	0.50
Salary growth rate	0.50%	0.52	(0.47)

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 period.

h) Defined benefit liability

The expected maturity analysis of undiscounted gratuity is as follows :	As At March 31, 2022
Less than a year	0.42
Between 1-2 years	0.30
Between 2-3 years	0.29
Between 3-4 years	0.29
Between 4-5 years	0.25
Beyond 5 years	9.16
Total	**10.70**

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(All amounts are in lakh ₹ unless otherwise stated)

Note 31: Fair Value Disclosure

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

	Carrying value	Fair value
	As At March 31, 2022	As At March 31, 2022
Financial Assets measured at Amortised Cost		
Bank deposits having remaining maturity of more than 12 months	17.58	17.58
Interest accrued on fixed deposits	0.07	0.07
Trade receivables	439.40	439.40
Cash and cash equivalents	48.41	48.41
Total	**505.46**	**505.46**
Financial Liabilities carried at Amortised Cost		
Trade payables	1,598.98	1,598.98
Other financial liabilities	-	-
Total	**1,598.98**	**1,598.98**

a) The Management has assessed that Trade Receivables, Cash and Cash Equivalents and Trade Payables approximate their carrying amounts largely due to the short-term maturities of these instruments.
b) All financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.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.
c) The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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(All amounts are in lakh ₹ unless otherwise stated)

Note 32: Fair Value Hierarchy

This section explaines the judgements and estimates made in determining the fair values of the financial instruments that are:
a) recognised and measured at fair value, and
b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.
To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy:

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets measured at Amortised Cost				
Bank deposits having remaining maturity of more than 12 months	17.58	-	-	17.58
Interest accrued on fixed deposits	0.07	-	-	0.07
Trade receivables	439.40	-	-	439.40
Cash and cash equivalents	48.41	-	-	48.41
Total	**505.46**	-	-	**505.46**

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

	Carrying Amount/ Amortised Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities at Amortised Cost				
Trade payables	1,598.98	-	-	1,598.98
Other financial liabilities	-	-	-	-
Total	**1,598.98**	-	-	**1,598.98**

The Group has an established control framework with respect to the measurement of fair values. The finance and accounts team that has overall responsibility for overseeing all significant fair value measurements and reports directly to the board of directors. The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as quotes from brokers or as available in public domain, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's board of directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the year ended 31 March 2022.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of short-term trade and other receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.
For other financial liabilities/ assets that are measured at fair value, the carrying amounts are equal to the fair values.

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Note 33: Financial Risk Management Objectives And Policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and other financial assets.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(I) 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.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowings. Since these borrowings are from Related party, there is no volatility involved in respect of interest payout and hence interest rate sensitivity is not given.

b) 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 currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. The Group is not exposed to foreign currency risk as on March 31, 2022.

(II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from their operating activities, primarily trade receivables, which has outstanding balance of ₹439.40 as at March 31, 2022. The customer credit risk is managed by Group as per established policy, procedures and control relating to customer credit risk management.

- Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.
- Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

(III) Liquidity risk

Liquidity risk is the risk that Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of Group to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

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

	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2022				
Trade payables	1,587.86	11.12	-	1,598.98
	1,587.86	**11.12**	**-**	**1,598.98**

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(All amounts are in lakh ₹ unless otherwise stated)

Note 34: Capital Management

i) For the purpose of Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group.
ii) The primary objective of the Group's capital management is to maximise the shareholder value and also ensure ability to continue as a going concern. In order to maintain the optimal balance of Debt and Capital, the Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions.
iii) The Group monitors Capital & Debt balance using Capital Gearing ratio, which is net debt divided by total capital plus net debt:

Particulars	As At March 31, 2022
Trade Payables (Refer note 16)	1,598.98
Other Current Liabilities (Refer note 17)	129.79
Less: Cash and Cash Equivalents (Refer note 10)	(48.41)
Adjusted Net Debt (A)	**1,680.37**
Equity Share Capital (Refer note 13)	3,099.63
Other Equity (Refer note 14)	(1,165.24)
Total Capital (B)	**1,934.39**
Net Debt and Capital (C=A+B)	**3,614.76**
Gearing Ratio [D=A/(C)]	**46.49%**

a) No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022.

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Note 35: Additional Information
For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

Particulars (F.Y 2021-22)	Net Assets i.e. total assets minus total liabilities		Share in profit /(loss)		Share in other Comprehensive Income		Share in total Comprehensive Income	
Name of the Entities	**As a % of consolidated net assets**	**Amount**	**As a % of consolidated Profit**	**Amount**	**As a % of consolidated Profit**	**Amount**	**As a % of consolidated Profit**	**Amount**
Parent: Sandhar Automotive Systems Private Limited	99.97%	1,933.90	99.89%	(353.72)	100.00%	-1.97	99.89%	(355.69)
Subsidiary: Sandhar Auto Electric Technologies Private Limited	0.03%	0.50	0.11%	(0.39)	-	-	0.11%	(0.39)
Non Controlling interest in subsidiaries	-	-	-	-	-	-	-	-
Total	**100.00%**	**1,934.39**	**100.00%**	**(354.11)**	**100.00%**	**(1.97)**	**100.00%**	**(356.08)**

Note:- Out of the above, the Group has not presented profit/equity attributable to Non controllable interest shareholder separately, since there is only one nominee shareholder and 99.98% of the shareholding is held by the holding company.

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Sandhar Automotive Systems Private Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakh ₹ unless otherwise stated)

Note 36: Ratio Analysis

Description	Numerator	Denomirator	As At March 31, 2022	% change	Reason for variance*
Current ratio	Current Assets	Current Liabilities	0.99	Not Applicable	-
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.00%	Not Applicable	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest + Principal Repayments	-11.29	Not Applicable	-
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-16.76%	Not Applicable	-
Inventory Turnover ratio	Revenue	Average Inventory	4.22	Not Applicable	-
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.82	Not Applicable	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.45	Not Applicable	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-66.73	Not Applicable	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-24.69%	Not Applicable	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-15.46%	Not Applicable	-
Return on Investment	Interest (Finance Income)	Investment	0.00%	Not Applicable	-

* Reasons are explained for variance in which % of change is more than 25% as compared to previous year.

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Note 37:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the companies under the Group to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, direclty or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 38: Other Statutory Information

i) The Companies under the Group do not have any Benami property, where any proceeding has been initiated or pending for holding any Benami property.

ii) The companies under the Group have not traded or invested in Crypto currency or Virtual Currency during the year

Note 39: In view of the management, the current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet as at March 31, 2022.

Note 40: Figures have been rounded off to the nearest lakhs except otherwise stated.

For and on behalf of the Board of Directors of
Sandhar Automotive Systems Private Limited

(Yatendra Singh Chauhan)
Director
DIN: 03555013

(Naveen Kumar)
Chief Financial Officer

(Rajesh Agarwal)
Director
DIN: 09101393

(Ashish Vatsa)
Chief Executive Officer

(Sakshi Goyal)
Company Secretary
Membership No. 63137

Place of Signature:
Dated: 17 MAY 2022

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Sandhar Automotive Systems Private Limited