

# B S R & Co. LLP

Chartered Accountants

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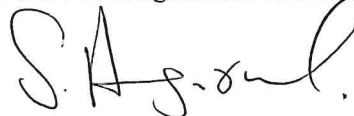
To  
Board of Directors of Sandhar Technologies Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Sandhar Technologies Limited ("the Company") for the quarter ended 30 June 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022



**Shashank Agarwal**

Partner

Membership No.: 095109

UDIN: 19095109AAAA DF6143

Place: Gurugram  
Date: 3 August 2019

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019**

Sr No.	Particulars	Standalone (₹ in lakhs, except per equity share data)			
		Quarter ended		Year ended	
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		Un-audited	Audited (refer note 2)	Un-audited	Audited
1	Revenue from operations	47,268.33	51,241.63	49,337.42	203,699.38
2	Other income	117.66	273.15	78.37	627.42
3	<b>Total income (1+2)</b>	<b>47,385.99</b>	<b>51,514.78</b>	<b>49,415.99</b>	<b>204,326.80</b>
4	<b>Expenses</b>				
(a)	Cost of materials consumed	30,077.97	32,015.70	31,462.84	130,424.56
(b)	Changes in inventories of finished goods and work-in-progress	349.34	568.06	256.50	(331.58)
(c)	Employee benefits expense	6,082.04	5,688.48	6,014.63	24,251.22
(d)	Finance costs	362.22	440.32	312.16	1,745.91
(e)	Depreciation and amortization expense	1,916.78	1,694.34	1,571.12	6,669.80
(f)	Other expenses	6,152.15	6,888.08	6,684.77	27,221.78
	<b>Total expenses</b>	<b>44,940.50</b>	<b>47,294.98</b>	<b>46,302.02</b>	<b>189,981.69</b>
5	<b>Profit from operations before exceptional item and tax (3-4)</b>	<b>2,445.49</b>	<b>4,219.80</b>	<b>3,113.97</b>	<b>14,345.11</b>
6	Exceptional item	-	148.05	-	148.05
7	<b>Profit from operations after exceptional item before tax (5-6)</b>	<b>2,445.49</b>	<b>4,071.75</b>	<b>3,113.97</b>	<b>14,197.06</b>
8	<b>Tax expenses</b>				
(a)	Current tax	810.98	1,152.42	686.51	4,079.07
(b)	Deferred tax charge	8.74	237.24	237.16	585.29
	<b>Total tax expenses</b>	<b>819.72</b>	<b>1,389.66</b>	<b>923.67</b>	<b>4,664.36</b>
9	<b>Net profit after tax (7-8)</b>	<b>1,625.77</b>	<b>2,682.09</b>	<b>2,190.30</b>	<b>9,532.70</b>
10	<b>Other comprehensive income</b>				
a)	Items that will not be reclassified to the statement of profit and loss				
i)	Loss on remeasurement of defined benefit obligation	(25.02)	(33.47)	(24.51)	(100.08)
ii)	Income tax relating to the above	8.74	11.92	8.48	34.97
	<b>Total other comprehensive income for the year (a (i+ii))</b>	<b>(16.28)</b>	<b>(21.55)</b>	<b>(16.03)</b>	<b>(65.11)</b>
11	<b>Total comprehensive income for the year (9+10)</b>	<b>1,609.49</b>	<b>2,660.54</b>	<b>2,174.27</b>	<b>9,467.59</b>
12	<b>Paid up equity share capital (Face value of Rs 10/- per share)</b>	<b>6,019.07</b>	<b>6,019.07</b>	<b>6,019.07</b>	<b>6,019.07</b>
13	<b>Reserve excluding Revaluation Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,846.31</b>
14	<b>Earnings Per Share (EPS) (Face value of Rs 10/- per share) (not annualised for quarter)</b>				
(a)	Basic	2.70	4.46	3.64	15.84
(b)	Diluted	2.70	4.46	3.64	15.84

**Notes :**

- The above statement of unaudited standalone financial results ('the Statement') for the quarter ended 30 June 2019, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 3 August 2019. The same along with the limited review report of the Statutory auditor has been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is also available on the Company's website at www.sandhargroup.com.
- Figures for the quarter ended 31 March 2019 are the balancing figures between audited figures in respect of the full financial year ended 31 March 2019 and published year to date figures up to 31 December 2018, being the date of the end of the third quarter which have been reviewed by the statutory auditors.
- The Company's business activity falls within a single primary business segment viz. "Safety and security systems". The operating segment has been defined based on regular review by the Company's Chief Operating Decision Maker to assess the performance of the Company and to make decision about allocation of resources.
- Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 1,787.76 Lacs and a lease liability of INR 1,920.25 Lacs. The cumulative effect of applying the standard resulted in INR 132.49 Lacs being debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the period and earnings per share.

Place : Gurugram  
Dated : 3 August 2019



For and on behalf of the Board of Directors of  
Sandhar Technologies Limited

JAYANT DAVAR  
Co-Chairman and Managing Director

# B S R & Co. LLP

Chartered Accountants

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To  
Board of Directors of Sandhar Technologies Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Sandhar Technologies Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its joint ventures for the quarter ended 30 June 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). Attention is drawn to the fact that the consolidated figures for the quarters ended 30 June 2018 and 31 March 2019, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of quarterly consolidated financial results has become mandatory only from 1 April 2019.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

**Subsidiaries:**

Sandhar Tooling Private Limited  
Sandhar Strategic Systems Private Limited  
Sandhar Technologies Barcelona S.L.  
Sandhar Technologies Poland sp. Zoo  
Sandhar Technologies de Mexico S de RL de CV  
Breniar Project, SL





**Joint ventures:**

Indo Toolings Private Limited  
Sandhar Daewha Automotive Systems Private Limited  
Sandhar Han Sung Technologies Private Limited  
Sandhar Ecco Green Energy Private Limited  
Jinyoung Sandhar Mechatronics Private Limited  
Kwangsung Sandhar Technologies Private Limited  
Sandhar Whetron Electronics Private Limited  
Sandhar Daeshin Auto Systems Private Limited  
Sandhar Amkin Industries Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial information of four subsidiaries included in the Statement, whose financial information reflect total revenues of Rs. 7,758.09 Lacs, total net profit after tax of Rs. 74.43 Lacs and total comprehensive income of Rs. 102.07 Lacs, for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. The financial information of these subsidiaries have been prepared in accordance with the accounting principles generally accepted in their respective countries. The Company's Management has converted the financial information of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. This has been carried out on the basis of a reporting package prepared by the Company which covers the accounting requirements applicable to the Statement under generally accepted accounting principles in India. We have reviewed these conversion adjustments made by the Parent Company's Management and reports for consolidation purposes of the other auditor have been furnished to us. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 10.38 Lacs and total comprehensive income of Rs. 9.76 Lacs for the quarter ended 30 June 2019, respectively, as considered in the Statement, in respect of one joint venture, whose financial information has not been reviewed by us. The financial information has been reviewed by the other auditor whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

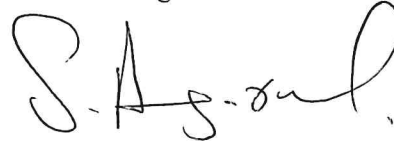


7. The Statement includes the financial information of two subsidiaries which have not been reviewed, whose financial information reflect total revenue of Rs. 161.63 Lacs, total net profit after tax of Rs. 1.86 Lacs and total comprehensive income of Rs. 1.86 Lacs for the quarter ended 30 June 2019, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 322.99 Lacs and total comprehensive loss of Rs. 322.99 Lacs for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results, in respect of eight joint ventures, based on their financial information which have not been reviewed. According to the information and explanations given to us by the management, these financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

*For B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm Registration No.: 101248W/W-100022



**Shashank Agarwal**

*Partner*

Membership No.: 095109

UDIN: 19095109AAAADG 7082

Place : Gurugram

Date: 3 August 2019

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019**

Sr No.	Particulars	Consolidated (₹ in lakhs, except per equity share data)			
		Quarter ended		Year ended	
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		Un-audited	Audited (refer note 2)	Un-audited	Audited
1	Revenue from operations	55,168.13	59,082.38	57,071.53	233,582.39
2	Other income	134.22	291.46	90.25	637.02
3	Total income (1+2)	55,302.35	59,373.84	57,161.78	234,219.41
4	Expenses				
(a)	Cost of materials consumed	31,903.60	34,056.62	33,654.49	138,660.60
(b)	Changes in inventories of finished goods and work-in-progress	510.19	768.14	424.02	(371.37)
(c)	Employee benefits expense	7,756.94	7,387.07	7,678.53	31,169.10
(d)	Finance costs	560.84	601.03	473.04	2,394.62
(e)	Depreciation and amortization expense	2,458.33	2,044.23	1,914.77	8,088.12
(f)	Other expenses	9,538.12	9,888.02	9,751.25	38,976.85
	Total expenses	52,728.02	54,745.11	53,896.10	218,917.92
5	Profit from operations before exceptional item, share of loss of joint ventures and tax (3-4)	2,574.33	4,628.73	3,265.68	15,301.49
6	Exceptional item	-	74.08	-	74.08
7	Share of loss of joint ventures	313.23	334.33	120.88	685.94
8	Profit from operations after exceptional item, share of loss of joint venture before tax (5-6-7)	2,261.10	4,220.32	3,144.80	14,541.47
9	Tax expenses				
(a)	Current tax	829.64	1,200.45	694.25	4,206.86
(b)	Deferred tax charge	38.67	335.27	267.86	749.37
	Total tax expenses	868.31	1,535.72	962.11	4,956.23
10	Net profit after tax (8-9)	1,392.79	2,684.60	2,182.69	9,585.24
11	Other comprehensive income				
a)	Items that will not be reclassified to the statement of profit and loss				
i)	Loss on remeasurement of defined benefit obligation	(25.02)	(42.59)	(23.62)	(109.20)
ii)	Income tax relating to the above	8.74	14.46	8.23	37.51
b)	Items that will be reclassified to the statement of profit and loss				
i)	Exchange differences in translating the financial statements of foreign operations	36.85	(35.90)	114.31	100.30
ii)	Income tax relating to the above	(9.21)	8.97	(28.58)	(25.08)
	Total other comprehensive income for the year (a+b)	11.36	(55.06)	70.34	3.53
12	Total comprehensive income for the year (10+11)	1,404.15	2,629.54	2,253.03	9,588.77
	Profit attributable to:				
- Owners of the Company		1,392.42	2,654.83	2,181.01	9,516.22
- Non-controlling interest		0.37	29.77	1.67	69.02
	Other comprehensive income attributable to:				
- Owners of the Company		11.36	(53.74)	70.22	4.85
- Non-controlling interest		-	(1.32)	0.13	(1.32)
	Total comprehensive income attributable to:				
- Owners of the Company		1,403.78	2,601.09	2,251.23	9,521.07
- Non-controlling interest		0.37	28.45	1.80	67.70
		1,404.15	2,629.54	2,253.03	9,588.77
13	Paid up equity share capital (Face value of Rs 10/- per share)	6,019.07	6,019.07	6,019.07	6,019.07
14	Reserve excluding Revaluation Reserves				65,940.23
15	Earnings Per Share (EPS) (Face value of Rs 10/- per share) (not annualised for quarter)				
(a)	Basic	2.31	4.46	3.63	15.92
(b)	Diluted	2.31	4.46	3.63	15.92

**Notes :**

- The above statement of unaudited consolidated financial results ('the Statement') for the quarter ended 30 June 2019, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 3 August 2019. The same along with the limited review report of the Statutory auditor has been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is also available on the Company's website at www.sandhargroup.com.
- Figures for the quarter ended 31 March 2019 are the balancing figures between audited figures in respect of the full financial year ended 31 March 2019 and unpublished year to date figures up to 31 December 2018, being the date of the end of the third quarter.



Notes: Continued

3 Particulars of subsidiaries, step-down subsidiaries and joint ventures as on 30 June 2019:

- a) Subsidiaries and step-down subsidiaries - (i) Sandhar Technologies Barcelona S.L. - subsidiary  
(ii) Sandhar Strategic Systems Private Limited- subsidiary  
(iii) Sandhar Tooling Private Limited- subsidiary  
(iv) Sandhar Technologies Poland sp. Zoo - step-down subsidiary  
(v) Sandhar Technologies de Mexico S de RL de CV - step-down subsidiary  
(vi) Breniar Project S.L. - step-down subsidiary

b) Joint Ventures -

- (i) Indo Toolings Private Limited  
(ii) Sandhar Daewha Automotive Systems Private Limited  
(iii) Sandhar Han Sung Technologies Private Limited  
(iv) Sandhar Ecco Green Energy Private Limited  
(v) Jinyoung Sandhar Mechatronics Private Limited  
(vi) Sandhar Amkin Industries Private Limited  
(vii) Sandhar Dashin Auto Systems Private Limited  
(viii) Sandhar Whetron Electronics Private Limited  
(ix) Kwansung Sandhar Technologies Private Limited

4 Refer Annexure 1 to the Statement for disclosure with respect to segment revenue and segment results for the quarter ended 30 June 2019.

5 Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 7,920.94 Lacs and a lease liability of INR 8,770.91 Lacs. The cumulative effect of applying the standard resulted in INR 1,001.33 Lacs being debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the period and earnings per share.

6 The Standalone results of the Company are available on the Company's website [www.sandhargroup.com](http://www.sandhargroup.com). The key standalone financial information of the Company is given below:

Particular	Quarter ended			Year ended
	30 June 2019	31 March 2019	30 June 2018	31 March 2019
	Un-audited	Audited	Un-audited	Audited
Revenue from operations	47,268.33	51,241.63	49,337.42	203,699.38
Profit before tax	2,445.49	4,071.75	3,113.97	14,197.06
Tax expense	819.72	1,389.66	923.67	4,664.36
Profit for the period	1,625.77	2,682.09	2,190.30	9,532.70
Other comprehensive income, net of income tax	(16.28)	(21.55)	(16.03)	(65.11)
Total comprehensive income for the period	1,609.49	2,660.54	2,174.27	9,467.59

Place : Gurugram  
Dated : 3 August 2019



For and on behalf of the Board of Directors of  
Sandhar Technologies Limited

JAYANT DAVAR  
Co-Chairman and Managing Director

**Annexure 1 - Segment revenue and Segment results**

For the quarter ending 30 June 2019

Sr No.	Particulars	Quarter ended (₹ in lacs)		Year ended (₹ in lacs)	
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		Un-audited	Audited	Un-audited	Audited
1	Segment revenue				
	a) India	47,410.04	51,798.37	49,479.93	205,236.63
	b) Europe	7,758.09	7,284.01	7,591.60	28,345.76
	Income from operations (net)	55,168.13	59,082.38	57,071.53	233,582.39
2	Segment results (profit (+), loss (-) before tax, exceptional items and interest from each segment)				
	a) India	2,501.02	4,536.64	3,316.11	15,849.26
	b) Europe	320.92	358.79	301.73	1,160.91
	Total	2,821.94	4,895.43	3,617.84	17,010.17
	Less:				
	a) Interest (finance costs)	560.84	601.03	473.04	2,394.62
	b) Exceptional items	-	74.08	-	74.08
	Total Profit before tax	2,261.10	4,220.32	3,144.80	14,541.47

