ANNUAL REPORT

(2020-2021)

(Sandhar Tooling Private Limited)

S.R. DINODIA & Co. LLP
CHARTERED ACCOUNTANTS
K-39 Connaught Place, New Delhi-110001 INDIA
Ph. : +91-(0)11-4370 3300 Fax : +91-(0)11-4151 3666

Independent Auditor's Report

To The Members of Sandhar Tooling Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sandhar Tooling Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2021, and 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 financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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, 2021, the **Profit** (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 financial statements.

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

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

Our opinion on the 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 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 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 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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.

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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.

3. The Company has not paid or provided any managerial remuneration to any director during the year. Accordingly, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the Company.

For S.R. Dinodia & Co. LLP.
Chartered Accountants,
Firm Registration Number 001478N/N500005

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

(Sandeep Dinodia)
Partner
Membership Number 083689
UDIN: 21083689AAAACI4969

Place of Signature: New Delhi
Date: 19 MAY 2021

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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021, we report that:

i) In respect of fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed 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) On the basis of information and explanation provided by the management, title deeds of immovable properties are held in the name of the Company.

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.

b) No material discrepancies were noticed on verification between the physical stocks and the book records.

iii) According to the information and explanation given to us, the Company had not granted loans, secured or unsecured, to any of the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iv) According to the information and explanation given to us, the Company has no loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company. The Company has not accepted any deposits from the public.

v) In our opinion and according to the information and explanation given to us, since the Company has not accepted any deposits therefore the question of the compliance of any directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the companies act and the rules framed there under does not arise.

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, 2017respectively to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and any other applicable statutory dues with appropriate authorities. The duty of Excise, Sales tax, Value Added Tax are not applicable to the current operations of the Company. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS * (b)According to the records of the Company examined by us and the information and explanations given to us, there were no dues of Income Tax or Goods & Service Tax or any other applicable statutory dues with appropriate authorities that have not been deposited on account of any dispute.

viii) In our opinion and on the basis of available information and explanation provided to us, the Company has neither raised funds from any financial institution, banks, government nor had dues of any debenture holders during the year. Therefore, clause 3(viii) is not applicable to the Company.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.

x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) The Company has not paid or provided any managerial remuneration to any director during the year. Accordingly, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the Company.

xii) The Company is not a Nidhi Company hence the provisions of paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xiii) During the course of our examination of the books and records of the Company, 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 etc, as required by the applicable accounting standards. Further the provision of section 177 of the Act is not applicable to the Company.

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

For S.R. Dinodia & Co. LLP
Chartered Accountants,
Firm's Registration Number 001478N/N500005

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

(Sandeep Dinodia)
Partner
Membership Number 083689
UDIN: 21083689AAAACI4969

Place of Signature: New Delhi
Date: 19 MAY 2021

Annexure 'B' to the Independent Auditors' Report of even date on the Financial Statements of Sandhar Tooling 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 financial statements of **Sandhar Tooling Private Limited ("the Company")** as of March 31, 2021 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 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 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 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 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.

S.R. DINODIA & CO. LLP CHARTERED ACCOUNTANTS

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 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, 2021, 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.

For S.R. Dinodia & Co. LLP.
Chartered Accountants,
Firm Registration Number 001478N/N500005

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

(Sandeep Dinodia)
Partner
Membership Number 083689
UDIN: 21083689AAAACI4969

Place of Signature: New Delhi
Date: 19 MAY 2021

Sandhar Tooling Private Limited

Balance Sheet As At March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Particulars	Notes	As At March 31, 2021	As At March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	798.69	805.82
(b) Right-of-Use Asset	32	319.05	364.63
(c) Capital Work-in-Progress	4	2.20	114.38
(d) Other Intangible Assets	5	8.80	11.76
(e) Financial Assets			
(i) Other Financial Assets	7	18.56	16.28
(f) Non-Current Tax Assets (Net)	8	-	0.29
(g) Deferred Tax Assets	6	0.16	-
(h) Other Non-Current Assets	9	6.21	6.07
Total Non-Current Assets		**1,153.67**	**1,319.23**
Current Assets			
(a) Inventories	10	51.66	80.17
(b) Financial Assets			
(i) Investments	11	153.82	294.23
(ii) Trade Receivables	12	316.74	253.61
(iii) Cash and Cash Equivalents	13	150.64	222.69
(iv) Bank Balances other than (iii) above	14	433.28	-
(vi) Other Financial Assets	7	0.04	0.11
(c) Other Current Assets	9	8.60	8.32
Total Current Assets		**1,114.77**	**859.13**
TOTAL ASSETS		**2,268.44**	**2,178.36**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	600.00	600.00
(b) Other Equity	16	944.86	942.51
Total Equity		**1,544.86**	**1,542.51**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	32	319.33	352.12
(b) Provisions	17	102.02	70.70
(c) Deferred Tax Liabilities (Net)	6	-	33.03
Total Non-Current Liabilities		**421.35**	**455.85**
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	32	32.80	30.23
(ii) Trade payables	18		
- Total Outstanding Dues of Micro and Small Enterprises		-	-
- Total Outstanding Dues to Parties Other than Micro & Small Enterprises		146.52	79.80
(iii) Other Financial Liabilities	19	18.10	26.19
(b) Other Current Liabilities	20	82.29	37.75
(c) Provisions	17	3.11	6.03
(d) Current Tax Liabilities (Net)	21	19.41	-
Total Current Liabilities		**302.23**	**180.00**
TOTAL EQUITY AND LIABILITIES		**2,268.44**	**2,178.36**

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the financial statements
As per our separate report of even date attached

For S.R. Dinodia & Co LLP
Chartered Accountants
Firm's Registration No.: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: New Delhi
Date: 19th May, 2021

For and on behalf of the Board of Directors of
Sandhar Tooling Private Limited

(Narender Kumar Dogra)
Director
DIN: 00100916

(Praveen Satija)
Director
DIN: 01082618

SANDHAR TOOLING PVT. LTD.
STPL.

Sandhar Tooling Private Limited
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are ₹ in lakh, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from Operations	22	1,130.94	1,274.79
II	Other Income	23	50.98	37.17
III	**Total Income (I+II)**		**1,181.92**	**1,311.96**
IV	**Expenses**			
	(a) Cost Of Materials Consumed	24	346.74	384.15
	(b) Changes In Inventories Of Finished Goods And Work In Progress	25	15.29	(8.15)
	(c) Employee Benefits Expense	26	328.10	381.41
	(d) Finance Costs	27	31.10	32.14
	(e) Depreciation And Amortisation Expense	28	195.24	163.03
	(f) Other Expenses	29	221.88	303.84
	Total Expenses		**1,138.35**	**1,256.42**
V	**Profit/ (Loss) before tax**		**43.57**	**55.54**
VI	**Tax expense:**	30		
	(a) Current tax		29.60	17.29
	(b) Adjustment of tax relating to earlier periods		4.93	0.21
	(c) Deferred tax		(30.70)	(3.19)
	Total tax (benefits)/expense		**3.83**	**14.31**
VII	**Profit/ (Loss) for the period**		**39.74**	**41.23**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Profit & Loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans		(9.88)	25.12
	(ii) Income tax relating to Items that will be reclassified to statement of Profit or Loss		2.49	(6.32)
	Other comprehensive gain/(loss)		**(7.39)**	**18.80**
IX	**Total Comprehensive Income For The Year**		**32.35**	**60.03**
X	**Earnings/(loss) Per Share (face value ` 10 per share)**	31		
	- Basic (amount in `)		0.66	0.69
	-Diluted (amount in `)		0.66	0.69

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the financial statements
As per our separate report of even date attached

For S.R. Dinodia & Co LLP
Chartered Accountants
Firm's Registration No.: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: New Delhi
Date: 19th May, 2021

For and on behalf of the Board of Directors of Sandhar Tooling Private Limited

(Narender Kumar Dogra)
Director
DIN: 00100916

(Praveen Satija)
Director
DIN: 01082618

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

SANDHAR TOOLING PVT. LTD. STPL

Sandhar Tooling Private Limited

Statement of Cash Flows for the year ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A Cash Flow From Operating Activities		
Profit before tax	**43.57**	**55.54**
Adjustments for:		
Depreciation And Amortisation Expense	195.24	163.03
Finance Cost	31.10	32.14
Interest Income	(8.84)	(9.60)
Loss/(Gain) On Sale Of Property, Plant & Equipment	(0.49)	(0.90)
Loss/(Gain) On Sale Of Investment	(28.89)	(18.65)
Gain On Investments Carried At Fair Value Through Profit Or Loss	(12.33)	(7.85)
Operating profit before working capital changes	**219.36**	**213.71**
Movement in working capital		
(Increase)/Decrease In Inventories	28.51	(15.77)
(Increase)/Decrease In Trade Receivables	(63.13)	(41.32)
(Increase)/Decrease In Financial Assets	(0.42)	(6.37)
(Increase)/Decrease In Other Current And Non-Current Assets	(0.42)	26.43
Increase/(Decrease) In Trade Payables	66.72	(75.70)
Increase/(Decrease) In Current And Non-Current Provisions	18.52	1.24
Increase/(Decrease) In Other Liabilites	44.54	18.14
Cash generated from /(used in) operating activities post working capital changes	**313.68**	**120.36**
Income tax paid (net)	(14.83)	(58.71)
Net cash generated from/(used in) used in operating activities (A)	**298.85**	**61.65**
B Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(139.57)	(194.56)
(Increase)/Decrease In Capital work in progress	112.18	(11.92)
Increase/(Decrease) In Creditors for Capital Expenditure	(8.09)	(326.05)
Interest Income	8.90	13.12
Investment in Mutual funds	(269.98)	(320.00)
Proceeds from sale of property, plant and equipment	0.49	0.90
Proceeds from sale of investment	451.62	907.12
Investment in Fixed Deposits	(435.13)	-
Net cash used in investing activities (B)	**(279.57)**	**68.61**
C Cash Flows From Financing Activities		
Payment of lease liabilities	(60.00)	(60.00)
Dividend paid	(30.00)	(60.00)
Dividend distribution tax paid	-	(12.33)
Finance costs paid	(1.33)	-
Net cash flow from financing activities (C)	**(91.33)**	**(132.33)**
Increase/(decrease) in cash and cash equivalents (A+B+C)	(72.05)	(2.07)
Cash and cash equivalents at the begining of the period	222.69	224.76
Cash and cash equivalents at the end of the period	150.64	222.69
Components of cash & Cash Equivalent		
Balances with banks		
- Current accounts	9.88	71.87
Bank deposits with original maturity less than three months	140.00	150.00
Cash on hand	0.76	0.82
Total Cash and Cash equivalent (Note No. 13)	**150.64**	**222.69**

Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our separate report of even date attached

For S.R. Dinodia & Co LLP
Chartered Accountants
Firm's Registration No.: 001478N/N500005

S.R. DINODIA & CO. LLP * CHARTERED ACCOUNTANTS *

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: New Delhi
Date: 19th May, 2021

For and on behalf of the Board of Directors of Sandhar Tooling Private Limited

(Narender Kumar Dogra)
Director
DIN: 00100916

(Praveen Satija)
Director
DIN: 01082618

SANDHAR TOOLING PVT. LTD. STPL.

Sandhar Tooling Private Limited

Statement of changes in equity for the year ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

A Equity Share Capital

	Amount
Opening Balance as at April 01, 2019	**600.00**
Changes during the year	-
Closing Balance as at March 31, 2020	**600.00**
Changes during the year	-
Closing Balance as at March 31, 2021	**600.00**

B Other Equity

Description	Reserves and surplus	Total
	Retained earnings	
Balance as at April 01, 2019	954.82	**954.82**
Profit For The Year	41.23	**41.23**
Remeasurement of defined benefit plan (net of tax)	18.80	**18.80**
Final Dividend on Equity Shares - FY 2018-19	(60.00)	**(60.00)**
Dividend Distribution Tax on Final Dividend- FY 2018-19	(12.33)	**(12.33)**
Balance as at March 31, 2020	**942.51**	**942.51**
Profit For The Year	39.74	**39.74**
Remeasurement of defined benefit plan (net of tax)	(7.39)	**(7.39)**
Final Dividend on Equity Shares - FY 2019-20	(30.00)	**(30.00)**
Balance as at March 31, 2021	**944.86**	**944.86**

Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our separate report of even date attached

For S.R. Dinodia & Co LLP
Chartered Accountants
Firm's Registration No.: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: New Delhi
Date: 19th May, 2021

For and on behalf of the Board of Directors
Sandhar Tooling Private Limited

(Narender Kumar Dogra)
Director
DIN: 00100916

(Praveen Satija)
Director
DIN: 01082618

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Note 1: Corporate Overview

Sandhar Tooling Private Limited ('the Company") was incorporated in year 2002 under the provisions of the Companies Act, 1956. The Company is engaged in the designing and manufacturing of moulds, dies, machine tools and jigs & fixtures. The registered office of the Company is located at B-6/20, LSC Safdarjung Enclave New Delhi - 110029. The financials statements for the year ended March 31, 2021 were approved by the Board of Directors on 19.05.2021.

Note 2: **Statement of Compliance:** These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

Basis of Preparation: The financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments that are measured at fair value as required under relevant Ind AS. The financial statements are presented in ` and all values are rounded to the nearest lakh except otherwise stated.

Going Concern

The board of directors have considered the financial position of the Company at March 31, 2021, 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 Pronouncements: Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. However, there is no such notification which would have been applicable from April 1, 2021.

Application of New Accounting Pronouncements: The following Ind As pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules 2020, were applied (wherever applicable) by the Company during the year:
- Amendment to Ind AS 103, Business Combinations with effect from April 1, 2020.
- Amendment to Ind AS 107, Uncertainty arising from interest rate benchmark reform with effect from April 1, 2020
- Amendment to Ind AS 109, Temporary exceptions from applying specific hedge accounting requirements and interest rate benchmark reform with effect from April 1, 2020
- Amendment to Ind AS 116, Leases with effect from April 1, 2020
- Amendment to Ind AS 1, Presentation of financial statements with effect from April 1, 2020

Note 2.1 : Significant accounting policies

a) <u>Significant accounting judgements, estimates and assumptions</u>

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

Judgements:

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

Revenue recognition and presentation

The Company assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Company has concluded that they operating on a principal to principal basis in all its revenue arrangements.

When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction.

Useful lives of property, plant and equipment

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

Estimates and Assumptions:

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

Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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.

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Defined benefit plans

The present value of the gratuity and compensated absences 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.

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.

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 twelve months as its operating cycle.

c) <u>Property, Plant and Equipment</u>

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.

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.

Depreciation: Depreciation is to be provided using the Straight Line Method as per Schedule II of Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of additions. On assets sold, discarded, etc. during the year, depreciation is provided up to the date of sale/discard. 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 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 are 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.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

d) <u>Other Intangible assets</u>

Recognition and measurement

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Other intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation and useful lives: Other Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the other intangible asset may be impaired. The amortisation period and the amortisation method for an other intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on other intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Amortisation is calculated over the cost of the asset, or other amount substituted for cost.

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e) **Foreign currencies**

Functional and presentational currency

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.
Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

f) **Revenue Recognition**

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. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

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 & Job Work are recognized at the point of dispatch of goods to the customers & sales are reported net of trade discounts and Goods & Service Tax , and inclusive of packing charges. Export sales was recognized at the time of bill of lading.

(ii) Other income: Other income comprises interest income on investments, interest received on income tax refund, gain on sale of mutual funds, fair value gain on mutual funds measured at fair value through profit and loss, provision written back. Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

g) **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. Finished manufactured goods also include excise duty.
- Stores & Consumables, Packing Materials and 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.

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h) Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard 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 of machinery and equipment (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) Employee's Benefits

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

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

Defined contribution plan

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

Retirement benefits in the form of Provident Fund etc. is a defined contribution scheme and contributions paid/payable towards Provident Fund etc. are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

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Defined benefit plan

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

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.
Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

Other Long Term Employee Benefits

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

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

j) Provisions

General

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

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.
Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

k) Financial instruments

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
-Debt instruments at amortised cost
-Debt instruments at fair value through other comprehensive income (FVTOCI)
-Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
-Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The category applies to the Company's trade and other receivables, cash and cash equivalents, security deposits and other loans and advances, etc.
A debt instrument is measured at the amortised cost if both the following conditions are met:
(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

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Equity instruments

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

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

De-recognition

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

(i) The contractual rights to receive cash flows from the asset has expired, or

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

Financial Liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement

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

-Financial liabilities at amortised cost

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

l) Impairment of financial assets

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

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

The Company 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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

m) 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.

n) 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.

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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.

o) **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

p) **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.

q) **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.

r) **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.

s) **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

t) **Operating Segment**
In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

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Notes to Financial Statements for the Year Ended March 31, 2021
(All amounts are ₹ in lakh, unless otherwise stated)

Note 3: Property, Plant and Equipment

Particulars	Freehold Land	Building	Plant & Equipment	Furniture & fixtures	Office equipment	Computers and data processing machines	Total
Gross Carrying Amount							
As at April 01, 2019	**95.23**	**54.19**	**777.50**	**14.37**	**2.29**	**10.81**	**954.39**
Additions made during the year	-	-	165.99	0.45	9.66	6.23	182.33
Disposals/ adjustments during the year	-	-	(19.05)	(0.01)	-	-	(19.06)
As at March 31, 2020	**95.23**	**54.19**	**924.44**	**14.81**	**11.94**	**17.04**	**1,117.65**
Additions made during the year	-	98.78	26.30	-	13.85	0.63	139.56
Disposals/ adjustments during the year	-	-	(2.85)	(0.07)	-	-	(2.92)
As at March 31, 2021	**95.23**	**152.97**	**947.89**	**14.74**	**25.79**	**17.67**	**1,254.29**
Accumulated depreciation							
As at April 01, 2019	-	**9.71**	**187.35**	**8.16**	**1.38**	**8.99**	**215.57**
Depreciation charge for the year	-	3.24	106.39	1.69	1.96	2.05	115.32
Disposals/ adjustments during the year	-	-	(19.05)	(0.01)	-	-	(19.06)
As at March 31, 2020	-	**12.94**	**274.68**	**9.83**	**3.34**	**11.04**	**311.84**
Depreciation charge for the year	-	25.88	113.46	1.73	2.66	2.96	146.69
Disposals/ adjustments during the year	-	-	(2.85)	(0.07)	-	-	(2.92)
As at March 31, 2021	-	**38.83**	**385.29**	**11.49**	**5.99**	**14.00**	**455.60**
Net Carrying Amount							
As at March 31, 2021	**95.23**	**114.15**	**562.60**	**3.25**	**19.80**	**3.67**	**798.69**
As at March 31, 2020	**95.23**	**41.25**	**649.76**	**4.97**	**8.61**	**6.00**	**805.82**

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 4: Capital Work in Progress	**As At March 31, 2021**	**As At March 31, 2020**
Capital work in progress	2.20	114.38
	2.20	**114.38**
Breakup of Capital Work in Progress is as follows:		
Buildings	-	75.05
Office equipment	-	9.00
Plant and equipment	2.20	30.34
	2.20	**114.38**

Note 5: Other Intangible Assets

Particulars	**Softwares**	**Total**
Gross Carrying Amount		
As at April 01, 2019	**8.52**	**8.52**
Additions made during the year	12.25	12.25
Disposals/ adjustments during the year	-	-
As at March 31, 2020	**20.77**	**20.77**
Additions made during the year	-	-
Disposals/ adjustments during the year	-	-
As at March 31, 2021	**20.77**	**20.77**
Amortisation- Accumulated		
As at April 01, 2019	**6.87**	**6.87**
Amortisation charge for the year	2.13	2.13
Disposals/ adjustments during the year	-	-
As at March 31, 2020	**9.00**	**9.00**
Amortisation charge for the year	2.97	2.97
Disposals/ adjustments during the year	-	-
As at March 31, 2021	**11.97**	**11.97**
Net book value		
As at March 31, 2021	**8.80**	**8.80**
As at March 31, 2020	**11.76**	**11.76**

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(All amounts are ₹ in lakh, unless otherwise stated)

Note 6: Deferred Tax Assets (Net)

	As At March 31, 2021	As At March 31, 2020
Gross Deferred Tax Assets	113.53	113.75
Gross Deferred Tax Liabilities	113.37	146.78
Deferred Tax (Net)	**0.16**	**(33.03)**

Movement in Deferred Tax (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	6.74	2.51	-	9.25
Provision For Gratuity	6.25	10.96	2.49	19.70
Provision For Bonus	2.69	(0.20)	-	2.49
Provision For Labour Welfare Fund	0.03	(0.00)	-	0.02
Security Deposits	1.81	(0.11)	-	1.70
Lease Liabilities	96.23	(15.86)	-	80.37
Deferred tax liability relates to the following:	-			
Property, Plant & Equipment And Intangible Assets	(42.13)	18.91	-	(23.22)
Right Of Use Assets	(91.77)	11.47	-	(80.30)
Investment In Mutual Funds	(11.13)	2.81	-	(8.33)
Prepaid Rent Relating To Security Deposits (Assets)	(1.75)	0.22	-	(1.53)
Total	**(33.03)**	**30.70**	**2.49**	**0.16**

Movement in Deferred Tax (Net)

Particulars	As At April 01, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2020
Deferred tax assets relates to the following:				
Provision For Compensated Absences	9.97	(3.23)	-	6.74
Provision For Gratuity	18.02	(5.45)	(6.32)	6.25
Provision For Bonus	2.66	0.03	-	2.69
Provision For Labour Welfare Fund	0.01	0.01	-	0.03
Security deposits	-	1.81	-	1.81
Lease liabilities	-	96.23	-	96.23
Deferred tax liability relates to the following:				
Property, plant & equipment and Intangible assets	(43.55)	1.42	-	(42.13)
Right of use assets	-	(91.77)	-	(91.77)
Investment in mutual funds	(13.30)	2.17	-	(11.13)
Prepaid rent relating to security deposits (assets)	-	(1.75)	-	(1.75)
Others	(3.71)	3.71	-	-
Total	**(29.90)**	**3.19**	**(6.32)**	**(33.03)**

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 7: Other Financial Assets	Non-Current As At March 31, 2021	Non-Current As At March 31, 2020	Current As At March 31, 2021	Current As At March 31, 2020
Security deposits (Refer sub-note 'a' below)	16.70	16.28	-	-
Bank deposit with original maturity of more than 12 months (Refer sub-note 'b' below)	1.85	-	-	-
Interest accrued on fixed deposits	0.01	-	0.04	0.11
	18.56	16.28	0.04	0.11

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

b) Fixed Deposits with a carrying amount of ` 1.85 (March 31, 2020 : Nil) represents margin money against bank guarantees.

Note 8: Non-Current Tax Assets (Net)	As At March 31, 2021	As At March 31, 2020
Advance income-tax (net of provision for tax of ` Nil; March 31, 2020 ` 17.29)	-	0.29
	-	0.29

Note 9: Other Assets	Non-Current As At March 31, 2021	Non-Current As At March 31, 2020	Current As At March 31, 2021	Current As At March 31, 2020
(Unsecured, considered good, unless otherwise stated)				
Prepaid Expenses	6.21	6.07	6.69	6.19
Advances To Vendors	-	-	1.57	0.49
Others	-	-	0.34	1.64
	6.21	6.07	8.60	8.32

Note 10: Inventories	As At March 31, 2021	As At March 31, 2020
(Valued at lower of cost or net realisable value)		
Raw Material	10.91	17.75
Work-in-progress	20.17	31.27
Finished Goods	23.95	28.13
Stores & Spares	3.87	10.25
	58.90	87.41
Less: Provision for Diminution in the value of Finished Goods	(7.24)	(7.24)
	51.66	80.17

a) For mode of valuation Refer Note 2.1(g)

Note 11: Current Investments	As At March 31, 2021	As At March 31, 2020
(Carried at fair value through profit or loss)		
Trade Investments - Quoted & fully paid up		
Investment in Mutual funds		
98,483.057 units (March 31, 2020: 262,531.693 units) of Franklin India Low Duration bond fund (Face Value:` 10)	22.86	54.13
440,582.743 units (March 31, 2020: 872,911.426 units) of Franklin India Ultra Short Bond fund (Face Value: ` 10)	130.96	240.10
	153.82	294.23
Aggregate value of unquoted investments	153.82	294.23
Aggregate amount of impairment in value of investments	-	-
Aggregate value of unquoted investments (net of impairment)	153.82	294.23

Note 12: Trade Receivables	As At March 31, 2021	As At March 31, 2020
Considered Good - Unsecured	316.74	253.61
Considered Doubtful - Unsecured	-	-
	316.74	253.61

a) There are no trade receivables which have significant increase in the credit risk or which are credit impaired as at March 31, 2021 & as at March 31, 2020.

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

c) There are related parties balances of trade receiveables. (Refer note 33).

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SANDHAR TOOLING PVT. LTD. STPL

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 13: Cash and Cash Equivalents	As At March 31, 2021	As At March 31, 2020
Balances with banks		
- Current accounts	9.88	71.87
Bank deposits with original maturity less than three months	140.00	150.00
Cash on hand	0.76	0.82
	150.64	**222.69**

a) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

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

Note 14: Bank Balance Other Than Cash and Cash Equivalents	Non-Current		Current	
	As At March 31, 2021	As At March 31, 2020	As At March 31, 2021	As At March 31, 2020
Bank deposits with original maturity for more than 3 months and having remaining maturity less than 12 months	-	-	433.28	-
Bank deposits having remaining maturity of more than 12 months	1.85	-	-	-
	1.85	**-**	**433.28**	**-**
Amount disclosed under "Other Financial Assets" **(Refer note 7)**	(1.85)		-	-
	-	**-**	**433.28**	**-**

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 15: Equity Share Capital	As At March 31, 2021	As At March 31, 2020
Authorised		
60,00,000 (March 31, 2020 : 60,00,000) Equity Share* of ` 10 each	600.00	600.00
1,00,000 (March 31, 2020 : 1,00,000) Non Cumulative Redeemable Preference Shares* of ` 100 each	100.00	100.00
	700.00	**700.00**
Issued and subscribed and Paid up		
6,000,000 (March 31, 2020 : 6,000,000) Equity Share* of ` 10 each fully paid up	600.00	600.00
	600.00	**600.00**

a) Reconciliation of authorised share capital at the beginning and at the end of the reporting period

(i) Equity Share Capital

Particulars	No of shares*	Amount
Balance as at April 01, 2019	**60,00,000**	**600.00**
Changes during the year	-	-
Balance as at March 31, 2020	**60,00,000**	**600.00**
Changes during the year	-	-
Balance as at March 31, 2021	**60,00,000**	**600.00**

(ii) Non Cumulative Redeemable Preference Share Capital

Particulars	No of shares*	Amount
Balance as at April 01, 2019	**1,00,000**	**100.00**
Changes during the year	-	-
Balance as at March 31, 2020	**1,00,000**	**100.00**
Changes during the year	-	-
Balance as at March 31, 2021	**1,00,000**	**100.00**

b) Reconciliation of issued and subscribed share capital at the beginning and at the end of the reporting period

Particulars	No of shares*	Amount
Balance as at April 01, 2019	**60,00,000**	**600.00**
Changes during the year	-	-
Balance as at March 31, 2020	**60,00,000**	**600.00**
Changes during the year	-	-
Balance as at March 31, 2021	**60,00,000**	**600.00**

c) 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. The Company declares dividend in Indian Rupees.

For the year ended March 31, 2021, the amount of per share dividend proposed for distribution to Equity Shareholders is ` 0.50 (March 31, 2020: ` 1). The dividend proposed by board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

d) Shares held by holding/ ultimate holding company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As At March 31, 2021	As At March 31, 2020
Sandhar Technologies Limited, the holding company		
4,795,000 (March 31, 2020: 4,795,000) equity shares of ` 10 each fully paid up	479.50	479.50

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

	As At March 31, 2021		As At March 31, 2020	
Particulars	**No of shares***	**% Holding**	**No of shares***	**% Holding**
Sandhar Technologies Limited	47,95,000	79.92%	47,95,000	79.92%
Stitch Overseas Private Limited	11,95,000	19.92%	11,95,000	19.92%

*The number of shares in Note above are given in absolute numbers

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Notes to Financial Statements for the Year Ended March 31, 2021
(All amounts are ₹ in lakh, unless otherwise stated)

Note 16: Other Equity	**As At March 31, 2021**	**As At March 31, 2020**
Retained Earnings	944.86	942.51
	944.86	**942.51**

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. Retained earnings are the accumulated profits earned by the Company till date.

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 17: Provisions	Non-Current As At March 31, 2021	Non-Current As At March 31, 2020	Current As At March 31, 2021	Current As At March 31, 2020
Provision for Employee Benefits				
Compensated Absences (Refer Note 34)	35.28	24.50	1.46	2.28
Gratuity (Refer Note 34)	66.74	46.20	1.65	3.75
	102.02	70.70	3.11	6.03

Note 18: Trade Payables	As At March 31, 2021	As At March 31, 2020
Outstanding Dues to Micro and Small Enterprises	-	-
Others (Refer note 33)	146.52	79.80
	146.52	79.80

a) Trade payables are non interest bearing and generally settled on 90 days terms (except for the MSME Payables which are settled on 45 days terms)

b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 & 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.	-	-
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.	-	-
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 except disclosed above.

c) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act,2013 as at March 31, 2021 (March 31, 2020: Nil).

Note 19: Other Financial Liabilities (Current)	As At March 31, 2021	As At March 31, 2020
Payable to capital creditors	18.10	26.19
	18.10	26.19

Note 20: Other Current Liabilities	As At March 31, 2021	As At March 31, 2020
Statutory Dues	53.49	37.68
Advance from Customers	28.80	0.07
	82.29	37.75

Note 21: Current Tax Liabilities (Net)	As At March 31, 2021	As At March 31, 2020
Provision for tax (Net of advance tax amounting to ` 515.94 (March 31, 2020: Nil)	19.41	-
	19.41	-

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Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 22: Revenue from operations	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Product	1,088.92	1,219.70
Sale of Services	24.69	42.48
Other operating revenue		
Sale of scrap	17.33	12.61
	1,130.94	1,274.79

a) During the year, the Company has not entered into long term contracts with customers and accordingly disclosure of remaining performance obligations is not applicable to the Company.
b) The Company mainly caters to customers in India, hence no disagrregation of revenue made.

Note 23: Other Income	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on		
- Bank deposits	8.18	8.99
Unwinding of discount on deposits (Asset)	0.66	0.61
Gain on exchange fluctuation (net)	0.05	-
Profit on sale of fixed assets	0.49	0.90
	-	-
Other Non-Operating Income		
Net gain on sale of investment	28.89	18.65
Gain on investments carried at fair value through profit or loss	12.33	7.85
Miscellaneous Income	0.38	0.17
	50.98	37.17

Note 24: Cost of Materials Consumed	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the beginning of the year	17.75	14.41
Add: Purchases	339.90	387.49
Less: Inventory at the end of the year	(10.91)	(17.75)
Cost of Raw Material Consumed	346.74	384.15

Note 25: Changes in Inventories of Finished Goods and Work-in-Progress	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock		
Finished goods	28.13	7.24
Work-in-progress	31.27	44.02
Total	59.41	51.26
Closing stock		
Finished goods	23.95	28.13
Work-in-progress	20.17	31.27
Total	44.12	59.41
	15.29	(8.15)

Note 26: Employee Benefits Expenses	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	267.51	332.71
Contribution to provident and other funds (Refer note 34)	26.25	32.32
Gratuity expense (Refer note 34)	8.56	10.29
Compensated absences (Refer note 34)	21.05	(4.39)
Staff welfare expenses	4.73	10.48
	328.10	381.41

Note 27: Finance Cost	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Cost		
- Interest on lease liabilities (Refer note 32)	29.77	32.14
- Interest on delayed payment of taxes	1.33	-
	31.10	32.14

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Notes to Financial Statements for the Year Ended March 31, 2021

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Note 28: Depreciation and Amortisation Expense	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment	146.69	115.32
Depreciation of right-of-use asset (Refer note 32)	45.58	45.58
Amortisation of intangible assets	2.97	2.13
	195.24	163.03

Note 29: Other Expenses	For the year ended March 31, 2021	For the year ended March 31, 2020
Stores and spares consumed	36.43	42.80
Power & fuel	44.48	44.78
Contract service charges	35.38	41.05
Job processing and other machining charges	47.69	69.99
Repairs and maintenance		
- Building	0.19	1.17
- Plant and Machinery	11.67	25.19
- Others	10.71	11.39
Rent and hire charges	1.47	1.68
Rates and taxes	0.99	1.23
Security service charges	14.17	14.95
Insurance	3.03	4.32
Advertising and business promotion	1.82	17.05
Travelling and conveyance	1.72	4.62
Legal and professional fees	4.47	5.35
Payment to auditors (refer note a below)	2.85	3.03
Loss on foreign exchange fluctuations	-	9.56
Director sitting fees	0.50	0.50
Printing & stationery	1.76	1.11
Bad Debts	-	-
Bank charges	0.16	0.41
Miscellaneous expenses	2.39	3.66
	221.88	303.84

a) Details of payment made to auditors is as follows:	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor:		
Statutory audit	2.25	1.90
Tax audit	0.60	0.60
Others (including reimbursement)	-	0.53
	2.85	3.03

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Sandhar Tooling Private Limited

Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 30: Income Tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Profit or loss section	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Current tax	29.60	17.29
b) Adjustment of tax relating to earlier periods	4.93	0.21
c) Deferred tax	(30.70)	(3.19)
Income tax expense reported in the statement of profit or loss (A)	**3.83**	**14.31**

OCI Section

Deferred tax related to items recognised in OCI during the year:	For the year ended March 31, 2021	For the year ended March 31, 2020
Tax on gain on remeasurements of defined benefit plans	2.49	(6.32)
Net amount charged to OCI (B)	2.49	(6.32)

Reconciliation of tax expense and the accounting Profit multiplied by India's Domestic tax rate for March 31, 2021 and March 31, 2020

	For the year ended March 31, 2021	For the year ended March 31, 2020
Accounting (Loss)/ profit before tax	43.57	55.54
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	**10.97**	**13.98**
Expenses not considered in determining taxable profit (including tax	(10.38)	0.23
Impact for changes in tax rates	-	(0.11)
Others	3.24	0.21
Total adjustments [B]	**(7.14)**	**0.33**
Actual tax expense [C=A+B]	**3.83**	**14.31**
Total tax incidence	3.83	14.31
Tax expense recognized in Statement of profit and loss [D]	**3.83**	**14.31**

The Government of India vide taxation laws (Amendment) Ordinance 2019, inserted section 115BAA in the income Tax Act 1961, which provides domestic companies an option to pay Income tax at reduced rate effective April 1, 2019 subject to certain conditions. The Company has made provision for tax in books of account at a reduced rate as per Section 115BAA. The applicable tax rate is the rate applicable to domestic Company – March 31, 2021 : 25.17% (March 31, 2020 : 25.17%).

Note 31: 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 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, 2021	For the year ended March 31, 2020
(Loss)/profit attributables to the equity holders	39.74	41.23
Number of equity shares*	60,00,000	60,00,000
Weighted average number of shares used in basic earnings per share*	60,00,000	60,00,000
Weighted average number of shares used in diluted earnings per share*	60,00,000	60,00,000
Basic earnings per share (in `) (face value ` 10 per share)	0.66	0.69
Diluted earnings per share (in `) (face value ` 10 per share)	0.66	0.69

* Number In absolute

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SANDHAR TOOLING PVT. LTD. STPL

Sandhar Tooling Private Limited
Notes to Financial Statements for the Year Ended March 31, 2021
(All amounts are ₹ in lakh, unless otherwise stated)

Note 32: Leases

Company as a lessee

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

a) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Right Of Use Assets	**Amount - Building**
As at April 1, 2019	-
Additions	410.21
Depreciation expense	(45.58)
As at March 31, 2020	364.63
Additions	-
Depreciation expense	(45.58)
As at March 31, 2021	**319.05**

b) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease Liability	**Amount - Building**
As at April 1, 2019	-
Additions	410.21
Accretion of interest	32.14
Payments during the year	(60.00)
As at March 31, 2020	**382.35**
Additions	-
Accretion of interest	29.77
Payments during the year	(60.00)
As at March 31, 2021	**352.12**
Current	32.80
Non-current	319.33

c) The effective interest rate for lease liabilities is 8.50%, with maturity between 2021-2027.

d) The following are the amounts recognised in profit or loss:

	March 31, 2020
Depreciation expense of right-of-use assets	45.58
Interest expense on lease liabilities	29.77

e) The Company had total cash outflows for leases of INR 60.00 in March 31, 2021 (INR 60.00 in March 31, 2020).

f) The Company has lease contracts that include termination options. These options are negotiated by Management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these termination options are reasonably certain to be exercised.

g) In 2020-21, there were no impairment charges recorded for right-of-use assets.

h) The maturity analysis of lease liabilities is given in Note 36 in the 'Liquidity risk' section.

i) Leases committed and not yet commenced: There are no leases commited which have not yet commenced as on reporting date.

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Sandhar Tooling Private Limited

Notes to Financial Statements for the Year Ended March 31, 2021

(All amounts are ₹ in lakh, unless otherwise stated)

Note 33: 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

Enterprise in which holding company has Joint Control
Sandhar Hangsung Technologies Private Limited
Sandhar Ecco Green Energy Private Limited

Key Management Personnel and Directors
Mr. Jayant Davar (Director)
Mr. Narender Kumar Dogra (Director)*
Mr. Atul Aggarwal (Director)
Mr. Parveen Satija (Director)
Mr. Arvind Joshi (Director)*
Ms. Subhi Gupta (Company Secretary)

b) Transactions during the year with related parties

S. No.	Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
		Holding Company	Holding Company	Enterprise in which holding company has Joint Control	Enterprise in which holding company has Joint Control	Key management personnel	Key management personnel
1	**Sale of Products (including GST)**						
	Sandhar Technologies Limited	11.21	7.45	-	-	-	-
	Sandhar Hangsung Technologies Private Limited	-	-	13.39	-	-	-
2	**Sale of Services (including GST)**						
	Sandhar Technologies Limited	-	4.76	-	-	-	-
	Sandhar Hangsung Technologies Private Limited	-	-	2.24	2.30	-	-
3	**Purchase of Property, plant and equipment (including GST)**						
	Sandhar Technologies Limited	-	0.88	-	-	-	-
4	**Dividend Paid**						
	Sandhar Technologies Limited	23.98	47.95	-	-	-	-
	Mr. Jayant Davar	-	-	-	-	0.03	0.05
	Mr. Parveen Satija	-	-	-	-	0.03	0.05
5	**Director sitting fees**						
	Mr. Atul Aggarwal	-	-	-	-	0.50	0.50
6	**Travelling and conveyance**						
	Mr. Atul Aggarwal	-	-	-	-	-	0.05
7	**Expenses incurred on behalf of Company (including GST)**						
	Sandhar Technologies Limited	13.35	10.76	-	-	-	-
	Ms. Subhi Gupta	-	-	-	-	0.01	0.11
8	**Payment made on behalf of**						
	Sandhar Technologies Limited	-	3.12	-	-	-	-
9	**Remuneration paid***						
	Ms. Subhi Gupta	-	-	-	-	0.85	5.05

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

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(All amounts are ₹ in lakh, unless otherwise stated)

c) Outstanding Balances as at year end

S. No.	Particulars	March 31, 2021 Holding Company	March 31, 2020 Holding Company	March 31, 2021 Enterprise in which holding company has Joint Control	March 31, 2020 Enterprise in which holding company has Joint Control	March 31, 2021 Key management personnel	March 31, 2020 Key management personnel
1	**Trade Payables**						
	Sandhar Technologies Limited	-	1.57	-	-	-	-
	Ms. Subhi Gupta	-	-	-	-	-	0.08
2	**Trade Receivables**						
	Sandhar Hangsung Technologies Private Limited	-	-	13.70	1.00	-	-
	Sandhar Technologies Limited	11.22	-	-	-	-	-

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.

*Mr. Arvind Joshi retired as the Chief Financial Officer & Executive Director on May 11, 2020, and Mr. Narender Kumar Dogra, Assistant Vice President of the Sandhar Group (who is already a director in this Company) has replaced him as the Chief Financial Officer & Key Managerial Personnel w.e.f. May 11, 2020.

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(All amounts are ₹ in lakh, unless otherwise stated)

Note 34: Employee Benefits

a) Defined Contribution Plans

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.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	24.97	30.52
Employer's Contribution to ESI Fund	1.28	1.80

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 valuation as per the projected unit credit method.

ii) Leave Encashment

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 21 days leave salary for every completed year of service. The salary for earned leave is last drawn salary. The sum is payable during the service, early retirement, withdrawl of scheme, resignation or 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 (Unfunded)
Present value of obligation		
April 01, 2019	64.78	35.83
Current service cost	5.27	3.59
Interest expense/ (income)	5.02	2.78
Total amount recognised in profit or loss	**10.29**	**6.37**
Remeasurements		
Gain due to change in financial assumptions	(22.31)	(10.65)
Loss due to experience	(2.78)	(0.09)
Gain due to change in demographic assumptions	(0.03)	(0.01)
Total amount recognised in other comprehensive income	**(25.12)**	**(10.75)**
Benefit payments	-	(4.66)
March 31, 2020	**49.95**	**26.78**
Present value of obligation		
April 01, 2020	49.95	26.78
Current service cost	5.17	4.11
Interest expense/ (income)	3.40	1.82
Total amount recognised in profit or loss	**8.56**	**5.93**
Remeasurements		
Gain due to change in financial assumptions	14.99	7.93
Loss due to experience	(2.07)	8.83
Gain due to change in demographic assumptions	(3.04)	(1.64)
Total amount recognised in other comprehensive income	**9.88**	**15.12**
Benefit payments	-	(11.09)
March 31, 2021	**68.39**	**36.74**

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Note 34: Employee Benefits

d) Expense recognised in Statement of Profit & Loss and Other comprehensive Income

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
i) Service Cost	5.17	5.27	4.11	3.59
ii) Interest Cost	3.40	5.02	1.82	2.78
iii) Actuarial (Gain)/ Loss	9.88	(25.12)	15.12	(10.75)
	18.44	**(14.83)**	**21.05**	**(4.40)**
Amount Recognised in Statement of Profit & Loss	8.56	10.29	21.05	(4.40)
Amount Recognised in Other Comprehensive Income (OCI)	9.88	(25.12)	-	-

e) Actuarial Assumptions

The significant acturial assumptions were as follows :

	March 31, 2021	March 31, 2020
Discount rate	6.80%	6.80%
Salary growth rate	6.00%	2.00%
Mortality	Indian assured lives mortality (2012-14) (modified) Ultimate	Indian assured lives mortality (2012-14) (modified) Ultimate
Withdrawal rate		
Upto 30 years	10.00%	12.00%
From 31 to 44 years	3.00%	12.00%
Above 44 years	1.00%	0.00%

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.

f) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	Change in assumption		Impact on defined benefit obligation			
			Increase by		Decrease by	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gratuity						
Discount rate	0.50%	1%	(2.87)	(3.10)	3.09	3.46
Salary growth rate	0.50%	1%	2.91	3.60	(2.72)	(3.27)
Leave Encashment						
Discount rate	0.50%	1%	(1.39)	(1.49)	1.50	1.65
Salary growth rate	0.50%	1%	1.50	1.72	(1.41)	(1.57)

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.

g) Defined benefit liability

The expected maturity analysis of undiscounted gratuity is as follows :

	March 31, 2021	March 31, 2020
Less than a year	1.65	3.96
Between 1-2 years	1.51	3.55
Between 2-3 years	17.66	3.33
Between 3-4 years	1.03	22.68
Between 4-5 years	0.92	2.89
Beyond 5 years	45.62	38.84
Total	**68.39**	**75.25**

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Note 35: Fair Value Measurements

a) Financial Instruments by category

Except investment in mutual funds which are measured at fair value through profit or loss, all other financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, other bank balances, interest receivable, other receivables, trade payables, employee related liabilities and borrowings, are measured at amortised cost.

b) Fair value hierarchy

This section explains the judgments 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 the accounting standard. An explanation of each level follows underneath the table.

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

As at March 31, 2021:

Particulars	Carrying amount				Fair value			
	Mandatorily at FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets measured at Amortised Cost								
Security deposits	-	16.70	-	16.70	-	-	-	-
Interest accrued on fixed deposits	-	0.05	-	0.05	-	-	-	-
Other financial assets	-	1.85	-	1.85	-	-	-	-
Trade receivables	-	316.74	-	316.74	-	-	-	-
Cash and cash equivalents	-	150.64	-	150.64	-	-	-	-
Bank deposits with original maturity for more than 3 months and having remaining maturity less than 12 months	-	433.28	-	433.28	-	-	-	-
Financial Assets measured at Fair Value				-				
Investment in mutual funds	-	153.82	-	153.82	153.82	-	-	-
Total	**-**	**1,073.08**	**-**	**1,073.08**	**153.82**	**-**	**-**	**-**
Financial Liabilities at Amortised Cost								
Lease Liabilities	-	-	352.13	352.13	-	-		-
Trade payables	-	-	146.52	146.52	-	-		-
Payable to capital creditors	-	-	18.10	18.10	-	-		-
Total	**-**	**-**	**516.75**	**516.75**	**-**	**-**		**-**

As at March 31, 2020:

Particulars	Carrying amount				Fair value			
	Mandatorily at FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets measured at Amortised Cost								
Security deposits	-	16.28	-	16.28	-	-	-	-
Interest accrued on fixed deposits	-	0.11	-	0.11	-	-	-	-
Trade receivables	-	253.61	-	253.61	-	-	-	-
Cash and cash equivalents	-	222.69	-	222.69	-	-	-	-
Financial Assets measured at Fair Value								
Investment in mutual funds	-	294.23	-	294.23	294.23	-	-	-
Total	**-**	**786.92**	**-**	**786.92**	**294.23**	**-**	**-**	**-**
Financial Liabilities at Amortised Cost								
Lease Liabilities	-	-	382.35	382.35	-	-		-
Trade payables	-	-	79.80	79.80	-	-		-
Payable to capital creditors	-	-	26.19	26.19	-	-		-
Total	**-**	**-**	**488.34**	**488.34**	**-**	**-**		**-**

Note 35: Fair Value Measurements

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 broker quotes or pricing services, 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 2021 and 31 March 2020.

Measurement of fair values
Valuation techniques and significant unobservable inputs

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 36: Financial Risk Management Objectives And Policies

The Company's principal financial liabilities comprise loans and borrowings, trade 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 loans, investments, 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. Financial instruments affected by market risk include loans and borrowings, deposits and investment in mutual funds.

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

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 Company is not exposed to interest rate risk.

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, 2021, the Company does not have any outstanding foreign currency exposures.

(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) and from its financing activities, including deposits with banks and financial institutions etc.

(a) Trade receivables
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.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past due nor impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2021	-	243.53	50.13	20.76	2.32	316.74
Trade Receivables as of March 31, 2020	-	101.91	72.52	79.18	-	253.61

(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 Company closely monitors its liquidity position and deploys a robust cash management system. 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, 2021				
Lease Liabilities	32.80	189.74	129.59	352.13
Trade payables	146.52	-	-	146.52
Other financial liabilities	18.10	-	-	18.10
	197.42	**189.74**	**129.59**	**516.75**
As at March 31, 2020				
Lease Liabilities	30.23	165.25	186.87	382.35
Trade payables	79.80	-	-	79.80
Other financial liabilities	26.19	-	-	26.19
	136.22	**165.25**	**186.87**	**488.34**

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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, share premium and all other equity reserves attributable to the equity holders of the parent.
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:

	As At March 31, 2021	As At March 31, 2020
Trade Payables (Refer note 18)	146.52	79.80
Other Financial Liabilities (Refer note 19)	18.10	26.19
Other Current Liabilities (Refer note 20)	82.29	37.75
Less: Cash and Cash Equivalents (Refer note 13)	(150.64)	(222.69)
Adjusted Net Debt (A)	**96.27**	**(78.95)**
Equity Share Capital (Refer note 15)	600.00	600.00
Other Equity (Refer note 16)	944.86	942.51
Total Capital (B)	**1,544.86**	**1,542.51**
Net Debt and Capital (C=A+B)	**1,641.13**	**1,463.56**
Gearing Ratio [D=A/(C)]	**5.87%**	**-5.39%**

a) No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

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Note 38: 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, 2020 : ₹ 30.52 lakh)

b) Contingent Liabilities

There are no claims against the company which are not acknowledged as debt as on March 31, 2021 & March 31, 2020.

Note 39: Segment Information

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 engaged in the designing and manufacturing of moulds, dies, machine tools and jigs & fixtures.

iii) The Company operates within India and does not have operations in economic environments with different risks and returns.

iv) Major Customer: Two customers contributed 10% or more to the Company's revenue for both March 31, 2021 and March 31, 2020.

Note 40: 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, 2021.

Note 41: Previous year figures have been regrouped and reclassified wherever considered necessary.

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

For and on behalf of the Board of Directors of
Sandhar Tooling Private Limited

(Narender Kumar Dogra)	**(Praveen Satija)**
Director	Director
DIN: 00100916	*DIN: 01082618*

Place of Signature:
Date: 19th May, 2021

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