

B S R & Co. LLP

Chartered Accountants

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To
Board of Directors of **Sandhar Technologies Limited**

We have audited the accompanying Statement of Consolidated Annual Financial Results ('the Statement') of Sandhar Technologies Limited for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This Statement has been prepared from Consolidated Annual Financial Statements which is the responsibility of the Company's Management. Our responsibility is to express an opinion on the Statement based on our audit of such Consolidated Annual Financial Statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as Financial Results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion

We did not audit the Financial Statements of three Subsidiaries included in the Statement, whose Annual Financial Statements reflect total assets of Rs. 32,059.04 Lacs as at 31 March 2019 as well as the total revenue of Rs. 29,989.03 Lacs for the year ended 31 March 2019. The Statement also include the Group's share of net loss (and other comprehensive income) of Rs. 664.19 Lacs for the year ended 31 March 2019 in respect of seven Joint Ventures. These Annual Financial Statements and Other Financial Information have been audited by other auditors whose report(s) have been furnished to us, and our opinion on the Statement, to the extent they have been derived from such Annual Financial Statements is based solely on the report of such other auditors.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.



In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on Separate Financial Statements of the Subsidiaries and Joint Ventures as aforesaid, the Statement:

- (i) includes the Annual Financial Results of the entities mentioned in Annexure I;
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) gives a true and fair view of the net Consolidated Profit and Other Comprehensive Income and Other Financial Information for the year ended 31 March 2019.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W / W-100022



Shashank Agarwal

Partner

Membership number: 095109

Place: Gurugram
Date: 27 May 2019

Annexure I to the Audit Report:

List of entities included in the Statement:

Entity	Relationship
Sandhar Technologies Limited	Holding Company
Sandhar Technologies Barcelona S.L.	Subsidiary
Sandhar Technologies Poland sp. Zoo	Step Down Subsidiary
Sandhar Technologies de Mexico S de RL de CV	Step Down Subsidiary
Breniar Project, SL	Step Down Subsidiary
Sandhar Strategic Systems Private Limited	Subsidiary
Sandhar Tooling Private Limited	Subsidiary
PT Sandhar Indonesia	Subsidiary (ceased w.e.f 29 August 2016)
Indo Toolings Private Limited	Joint venture
Sandhar Daewha Automotive Systems Private Limited	Joint venture
Sandhar Han Sung Technologies Private Limited	Joint venture
Sandhar Ecco Green Energy Private Limited	Joint venture
Jinyoung Sandhar Mechatronics Private Limited	Joint venture
Kwangsung Sandhar Technologies Private Limited	Joint venture
Sandhar Whetron Electronics Private Limited	Joint venture
Sandhar Daeshin Auto Systems Private Limited	Joint venture
Sandhar Amkin Industries Private Limited	Joint venture



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To
Board of Directors of **Sandhar Technologies Limited**

We have audited the accompanying Statement of Standalone Annual Financial Results ('the Statement') of Sandhar Technologies Limited for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that figures for last the quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in this Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

This Statement has been prepared on the basis of the Standalone Annual Financial Statements and reviewed quarterly Financial Results which are the responsibility of the Company's Management. Our responsibility is to express an opinion on the Statement based on our audit of the Standalone Annual Financial Statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as Financial Results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W / W-100022



Shashank Agarwal

Partner

Membership number: 095109

Place: Gurugram
Date: 27 May 2019

STATEMENT OF STANDALONE AND CONSOLIDATED ANNUAL FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019

Sr No.	Particulars	Standalone (₹ in lakhs, except per equity share data)					Consolidated (₹ in lakhs, except per equity share data)	
		Quarter ended		Year ended			Year ended	
		31 March 2019	31 December 2018	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
		Audited (refer note 9)	Un-audited	Audited	Audited	Audited	Audited	Audited
1	Revenue from operations (refer note 2)	51,241.63	49,457.45	41,160.64	203,699.38	172,139.97	233,582.39	198,411.98
2	Other income	273.15	125.14	144.84	627.42	444.07	637.02	474.17
3	Total income (1+2)	51,514.78	49,582.59	41,305.48	204,326.80	172,584.04	234,219.41	198,886.15
4	Expenses							
(a)	Cost of materials consumed	32,015.70	32,159.00	24,583.13	130,424.56	107,147.78	138,660.60	114,902.09
(b)	Change in inventories of finished goods and work-in-progress	568.06	(867.29)	(62.91)	(331.58)	(331.42)	(371.37)	(1,275.22)
(c)	Excise duty	5,688.48	6,302.53	5,426.13	24,251.22	20,201.66	31,169.10	3,776.90
(d)	Employee benefits expense	440.32	518.82	1,015.95	1,745.91	3,811.87	2,394.62	26,479.22
(e)	Finance costs	1,694.34	1,709.59	1,466.21	6,669.80	5,512.79	8,088.12	4,317.43
(f)	Depreciation and amortization expense	6,888.08	6,586.71	6,348.70	27,221.78	22,750.80	38,976.85	6,752.10
(g)	Other expenses							33,699.87
	Total expenses	47,294.98	46,409.39	38,777.21	189,981.69	162,816.31	218,917.92	188,652.39
5	Profit from operations before exceptional item, share of loss of joint ventures and tax (3-4)	4,219.80	3,173.20	2,528.27	14,345.11	9,767.73	15,301.49	10,233.76
6	Exceptional item	148.05	-	-	148.05	-	74.08	-
7	Share of loss of joint ventures	-	-	-	-	-	685.94	531.62
8	Profit from operations after exceptional item, share of loss of joint venture before tax (5-6-7)	4,071.75	3,173.20	2,528.27	14,197.06	9,767.73	14,541.47	9,702.14
9	Tax expenses							
(a)	Current tax	1,152.42	1,032.23	758.33	4,079.07	2,966.97	4,206.86	3,090.69
(b)	Deferred tax (credit) / charge	237.24	84.55	(0.40)	585.29	28.11	749.37	49.52
	Total tax expenses	1,389.66	1,116.78	757.93	4,664.36	2,995.08	4,956.23	3,140.21
10	Net profit after tax (8-9)	2,682.09	2,056.42	1,770.34	9,532.70	6,772.65	9,585.24	6,561.93
11	Other comprehensive income							
a)	Items that will not be reclassified to the statement of profit and loss							
i)	Loss on remeasurement of defined benefit obligation	(33.47)	(21.80)	(22.01)	(100.08)	(88.05)	(109.20)	(84.64)
ii)	Income tax relating to the above	11.92	7.55	7.62	34.97	30.47	37.51	29.53
b)	Items that will be reclassified to the statement of profit and loss							
i)	Exchange differences in translating the financial statements of foreign operations						100.30	135.41
ii)	Income tax relating to the above						(25.08)	(33.85)
	Total other comprehensive income for the year (a (i+ii))	(21.55)	(14.25)	(14.39)	(65.11)	(57.58)	3.53	46.45
12	Total comprehensive income for the year (10+11)	2,660.54	2,042.17	1,755.95	9,467.59	6,715.07	9,588.77	6,608.38
13	Paid up equity share capital (Face value of Rs 10/- per share)	6,019.07	6,019.07	6,019.07	6,019.07	6,019.07	6,019.07	6,019.07
14	Reserve excluding Revaluation Reserves	-	-	-	64,846.31	56,338.65	65,940.23	57,405.33
15	Earnings Per Share (EPS) (Face value of Rs 10/- per share) (not annualised)							
(a)	Basic	4.46	3.42	3.45	15.84	13.21	15.92	12.80
(b)	Diluted	4.46	3.42	3.45	15.84	13.21	15.92	12.80

Notes :

- The above financial results for the quarter and year ended 31 March 2019, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 May 2019. The same along with the report of the Statutory auditors has been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is also available on the Company's website at www.sandhargroup.com.
- Revenue from operations for the year ended 31 March 2019 is not comparable with the corresponding previous period, since same is net of Goods and Services Tax (GST) whereas excise duty formed part of revenue till 30 June 2017.
- Refer Annexure 1 to the Statement for disclosure with respect to segment revenue, segment results, segment capital employed for the year ended 31 March 2019.
- Particulars of subsidiaries, step-down subsidiaries and joint ventures as on 31 March 2019:
 a) Subsidiaries and step-down subsidiaries -
 (i) Sandhar Technologies Barcelona S.L. - subsidiary
 (ii) Sandhar Strategic Systems Private Limited- subsidiary
 (iii) Sandhar Tooling Private Limited- subsidiary
 (iv) Sandhar Technologies Poland sp. Zoo - step-down subsidiary
 (v) Sandhar Technologies de Mexico S de RL de CV - step-down subsidiary
 (vi) Breniar Project S.L. - step-down subsidiary
 b) Joint Ventures -
 (i) Indo Toolings Private Limited
 (ii) Sandhar Daewha Automotive Systems Private Limited
 (iii) Sandhar Han Sung Technologies Private Limited
 (iv) Sandhar Ecco Green Energy Private Limited
 (v) Jinyoung Sandhar Mechatronics Private Limited
 (vi) Sandhar Amkin Industries Private Limited
 (vii) Sandhar Dashin Auto Systems Private Limited
 (viii) Sandhar Whetron Electronics Private Limited
 (ix) Kwansung Sandhar Technologies Private Limited
- During the year ended 31 March 2018, the Company had completed the Initial Public Offer (IPO), pursuant to which 15,456,144 equity shares of Rs. 10 each were allotted, at an issue price of Rs. 332, consisting of fresh issue of 9,036,144 equity shares and an offer for sale of 6,400,000 equity shares by GTI Capital Beta Private Limited.
 The Company had entered into the listing agreement with the Securities and Exchange Board of India ("SEBI") on 24 March 2018, pursuant to the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as a result of which its shares have started trading on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 2 April 2018 via ID SANDHAR and BSE Limited (BSE) via ID 541163.
 Further, during the year ended 31 March 2018, 2,534,505 equity shares were sold by GTI Capital Beta Private Limited in a Pre - Initial Public Offer sale on 13 March 2018.
- The proceeds from IPO was of Rs. 27,986.83 Lacs (net of fresh issue related expenses (including GST)).
 Details of utilization of IPO proceeds are as follows:

Particulars	Objects of the issue as per prospectus	Unutilized amount as at 31 March 2018	Rs. in Lacs Utilized during the quarter ended 30 June 2018
Repayment of Loans	22,500.00	22,500.00	22,500.00
General Corporate Purposes	5,486.83	5,486.83	5,486.83
Total	27,986.83	27,986.83	27,986.83

- With effect from 1 April 2018, the Company has adopted Ind AS-115 ("Revenue from Contracts with Customers") using the cumulative effect method which is applied to contracts that were not completed as at 1 April 2018 and accordingly the Statement has been prepared in accordance with recognition and measurement principles laid down in Ind AS-115. The comparatives have not been retrospectively adjusted. The application of Ind AS-115 did not have any significant impact on recognition and measurement of revenue and related items in the Statement.
- The Board of Directors, at its Meeting held on 5 November 2018, had declared an interim dividend of Rs. 1.25 per equity share and the same was paid on 22 November 2018.
- Figures of the quarter ended 31 March 2019 are the balancing figures between audited figures in respect of the full financial year ended 31 March 2019 and published year to date figures up to 31 December 2018, being the date of the end of the third quarter which have been reviewed by the statutory auditors.
- The Board of Directors at its meeting held on 27 May 2019 has recommended a final dividend of Rs. 1.25 per equity share for the financial year ended 31 March 2019.

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

JAVANT DAVAR
 Co-Chairman and Managing Director

Place : Gurugram
 Dated : 27 May 2019



Particulars	Standalone (₹ in lakhs, except per equity share data)		Consolidated (₹ in lakhs, except per equity share data)	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
	Audited	Audited	Audited	Audited
ASSETS				
Non-current assets				
Property, plant and equipment	57,731.75	51,916.96	73,061.18	66,261.81
Capital work-in-progress	2,799.58	6,360.16	3,739.37	7,189.38
Goodwill	552.35	552.35	553.30	553.30
Other Intangible assets	666.24	873.84	727.84	942.30
Equity accounted investees	-	-	2,182.52	1,006.81
Financial assets				
(i) Investments	6,744.19	4,927.71	887.34	856.44
(ii) Loans	918.81	767.32	1,081.16	929.42
Income-tax assets	99.31	99.31	119.83	133.10
Other non-current assets	731.46	1,307.95	731.46	1,307.95
Total non-current assets	70,243.69	66,805.60	83,084.00	79,180.51
Current assets				
Inventories	13,454.96	12,195.98	21,936.28	20,568.00
Financial assets				
(i) Investment	-	-	854.85	576.43
(i) Loans	405.06	313.67	1,637.10	1,144.57
(ii) Trade receivables	30,068.43	23,480.12	33,721.60	26,743.15
(iii) Cash and cash equivalents	57.92	25,347.17	370.33	25,499.01
(iv) Other Bank balances	105.93	101.69	105.93	101.69
(v) Other financial assets	1,341.50	1,029.35	1,376.79	1,029.35
Other current assets	2,198.28	2,836.82	2,969.47	3,502.89
Total current assets	47,632.08	65,304.80	62,972.35	79,165.09
Assets held for sale	96.64	97.17	96.64	97.17
Total assets	117,972.41	132,207.57	146,152.99	158,442.77
EQUITY AND LIABILITIES				
Equity				
Equity share capital	6,019.07	6,019.07	6,019.07	6,019.07
Other equity	64,846.31	56,338.65	65,940.23	57,405.33
Total equity attributable to equity shareholders	70,865.38	62,357.72	71,959.30	63,424.40
Non-controlling interests	-	-	350.51	282.81
Total equity	70,865.38	62,357.72	72,309.81	63,707.21
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	59.43	100.25	843.04	1,282.90
(ii) Other financial liabilities	3.95	3.76	601.60	1,011.85
Provisions	-	-	95.43	69.64
Deferred tax liabilities (net)	1,165.00	565.32	1,695.47	955.79
Total non-current liabilities	1,228.38	669.33	3,235.54	3,320.18
Current liabilities				
Financial liabilities				
(i) Borrowings	11,317.25	7,399.40	25,945.84	20,799.75
(ii) Trade payables				
• total outstanding dues of micro enterprises and small enterprises	1,387.97	2,069.36	1,387.97	2,069.36
• total outstanding dues of creditors other than micro enterprises and small enterprises	27,981.86	26,877.45	34,093.54	32,736.47
(iii) Other financial liabilities	1,987.67	29,148.24	5,080.47	31,385.86
Other current liabilities	1,599.71	1,157.71	2,449.53	1,874.31
Income-tax Liabilities	323.63	1,376.69	364.55	1,393.52
Provisions	1,280.56	1,151.67	1,285.74	1,156.11
Total current liabilities	45,878.65	69,180.52	70,607.64	91,415.38
Total liabilities	47,107.03	69,849.85	73,843.18	94,735.56
Total equity and liabilities	117,972.41	132,207.57	146,152.99	158,442.77



Annexure 1 - Segment revenue, Segment results, Segment assets, Segment liabilities and Segment capital employed
For the year ended 31 March 2019

Sr No.	Particulars	Year ended (₹ in lacs, except as otherwise stated)	
		31 March 2019	31 March 2018
		Audited	Audited
1	Segment revenue		
	a) India	205,236.63	173,643.22
	b) Europe	28,345.76	24,768.76
	Income from operations (net)	233,582.39	198,411.98
2	Segment results (profit (+), loss (-) before tax, exceptional items and interest from each segment)		
	a) India	15,849.26	13,451.28
	b) Europe	1,160.91	568.29
	Total	17,010.17	14,019.57
	Less:		
	a) Interest (finance costs)	2,394.62	4,317.43
	b) Exceptional items	74.08	-
	Total Profit before tax	14,541.47	9,702.14
3	Segment assets		
	a) India	116,348.07	130,479.91
	b) Europe	29,804.92	27,962.86
	Total assets	146,152.99	158,442.77
4	Segment liabilities		
	a) India	47,804.58	70,106.78
	b) Europe	26,038.60	24,628.78
	Total liabilities	73,843.18	94,735.56
5	Capital employed (Segment assets less Segment liabilities)		
	a) India	68,543.49	60,373.13
	b) Europe	3,766.32	3,334.08
	Total capital employed	72,309.81	63,707.21

