

B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF Sandhar Technologies Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying Standalone Annual Financial Results of Sandhar Technologies Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Annual Financial Results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone Annual Financial Results.



B S R & Co. is a partnership firm with Registration No. BA01223 converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-B1B1) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalaxmi
Mumbai - 400 011

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These Standalone Annual Financial Results have been prepared on the basis of the Standalone Annual Financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Standalone Annual Financial Results that give a true and fair view of the net profit / loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Annual Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Annual Financial Results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

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

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 Standalone Annual Financial Results, 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 through a separate report on the complete set of Financial Statements 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 in the Standalone Annual Financial Results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Annual Financial Results, including the disclosures, and whether the Standalone Annual Financial Results 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.

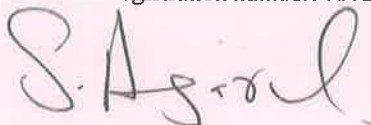
Other Matter

- a) The Standalone Annual Financial Results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W / W-100022



Shashank Agarwal

Partner

Membership No.: 095109

ICAI UDIN: 20095109 AAAADx5172

Place: Gurugram

Date: 27 June 2020

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

Sr No.	Particulars	Standalone (₹ in lakhs, except per equity share data)				
		Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		Audited (refer note 7)	Un-audited	Audited (refer note 7)	Audited	Audited
1	Revenue from operations	33,521.01	40,277.14	51,241.63	164,002.85	203,699.38
2	Other income	492.78	260.46	273.15	1,012.48	627.42
3	Total income (1+2)	34,013.79	40,537.60	51,514.78	165,015.33	204,326.80
4	Expenses					
(a)	Cost of materials consumed	20,225.65	25,614.38	32,015.70	103,138.41	130,424.56
(b)	Changes in inventories of finished goods and work-in-progress	287.07	(385.93)	568.06	414.76	(331.58)
(c)	Employee benefits expense	5,125.36	5,448.95	5,688.48	22,329.83	24,251.22
(d)	Finance costs	253.29	274.69	440.32	1,263.43	1,745.91
(e)	Depreciation and amortization expense	1,854.17	1,897.63	1,694.34	7,560.17	6,669.80
(f)	Other expenses	5,066.21	5,447.55	6,888.08	22,216.24	27,221.78
	Total expenses	32,811.75	38,297.27	47,294.98	156,922.84	189,981.69
5	Profit from operations before exceptional item and tax (3-4)	1,202.04	2,240.33	4,219.80	8,092.49	14,345.11
6	Exceptional item	-	-	148.05	-	148.05
7	Profit from operations after exceptional item and before tax (5-6)	1,202.04	2,240.33	4,071.75	8,092.49	14,197.06
8	Tax expenses					
(a)	Current tax	386.34	488.37	1,152.42	2,293.31	4,079.07
(b)	Deferred tax (credit)/charge	(120.55)	80.29	237.24	(292.92)	585.29
	Total tax expenses	265.79	568.66	1,389.66	2,000.39	4,664.36
9	Net profit after tax (7-8)	936.25	1,671.67	2,682.09	6,092.10	9,532.70
10	Other comprehensive income					
a)	Items that will not be reclassified to the statement of profit and loss					
i)	Gain/(Loss) on remeasurement of defined benefit obligation	1,055.01	(25.00)	(33.47)	980.99	(100.08)
ii)	Income tax relating to the above	(265.55)	6.29	11.92	(246.92)	34.97
	Total other comprehensive income for the period/ year (a (i+ii))	789.46	(18.71)	(21.55)	734.07	(65.11)
11	Total comprehensive income for the period/ year (9+10)	1,725.71	1,652.96	2,660.54	6,826.17	9,467.59
12	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
13	Reserve excluding Revaluation Reserves	-	-	-	69,735.78	64,846.31
14	Earnings Per Share (EPS) (Face value of Rs 10/- per share) (not annualised for quarter)					
(a)	Basic	1.55	2.78	4.46	10.12	15.84
(b)	Diluted	1.55	2.78	4.46	10.12	15.84

Notes :

- The above statement of audited standalone financial results ('the Statement') for the quarter and year ended 31 March 2020, has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 June 2020. The same along with the report of the Statutory auditor has been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and also available on the Company's website at www.sandhargroup.com.
- The Company's business activity falls within a single primary business segment viz. "Automotive Components". The operating segment has been defined based on regular review by the Company's Chief Operating Decision Maker to assess the performance of the Company and to make decision about allocation of resources.
- Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective approach and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-use asset (ROU) and a lease liability. The cumulative effect of applying the standard has been debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the year/period and earnings per share.
- The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income tax for the quarter and year ended 31 March 2020 and re-measured its Deferred tax assets/liabilities basis the rate prescribed in the said section. The impact of its change has been recognised over the period from 1 July 2019 to 31 March 2020.
- In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Consequent to this, Government of India declared a national lockdown on 25 March 2020, which has impacted the business activities of the Company. The Company has assessed the impact that may result from this pandemic on its liquidity position, carrying amounts of tangible, investments, and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has considered internal and external information available till the date of approval these financial statements and has assessed its situation.

In that context and based on the current estimates, the Company believes that COVID 19 is not likely to have any material impact on its standalone financial results, 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 standalone financial results. The Company would closely monitor such developments in future economic conditions and consider their impact on the standalone financial results of the relevant periods.
- The Board of Directors at its Meeting held on 10 February 2020, has declared an interim dividend @ 12.5% i.e. Rs. 1.25 per equity share.
- The figures of the quarter ended 31 March 2020 and the corresponding quarter ended in the previous year as reported in the Statement, are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures up to the third quarter ended 31 December of respective year, which have been reviewed by the statutory auditors.
- The Board of Directors at its Meeting held on 27 June 2020, has recommended a final dividend @ 7.5% i.e. Rs. 0.75 per equity share. The dates of the Book closure for the entitlement of such dividend and Annual General Meeting shall be decided and informed in due course of time.


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

JAYANT DAVAR
Co-Chairman and Managing Director

AUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Sr No.	Particulars	Standalone (₹ in lakhs, except per equity share data)	
		Year ended	Year ended
		31 March 2020	31 March 2019
		Audited	Audited
A	Cash flows from operating activities		
	Profit before tax	8,092.49	14,197.06
	Adjustments for :		
	Depreciation and amortization expense	7,560.17	6,669.80
	Loss on account of impairment of investment in joint venture	-	148.05
	(Profit) on sale of property, plant and equipment	(113.95)	(37.17)
	MTM gain on derivative	(14.42)	-
	Provision for doubtful debts and advances	244.31	20.66
	Unrealised foreign exchange (gain)/loss	20.70	8.93
	Interest expense	1,263.43	1,745.91
	Interest income on security deposits measured at amortised cost	(1.26)	(11.06)
	Gain on investments carried at fair value through profit or loss	(55.02)	(0.15)
	Interest income	(186.08)	(118.56)
	Dividend income	(81.25)	(47.95)
	Operating profit before working capital changes	16,729.13	22,575.52
	Movements in working capital:		
	Decrease/(Increase) in trade receivables	13,741.90	(6,612.24)
	Decrease/(Increase) in inventories	1,355.29	(1,258.97)
	(Increase) in long-term loans and advances	(21.38)	(151.49)
	Decrease/(Increase) in current financial assets, including assets held for sale	817.24	(400.76)
	Decrease in other current assets	405.55	638.54
	Increase/(Decrease) in trade payables	(10,562.20)	417.34
	Increase/(Decrease) in current provisions	86.82	63.79
	Increase in other financial liabilities	194.84	32.14
	Increase/(Decrease) in other current liabilities	(991.37)	442.00
	Total movement in working capital:	5,026.69	(6,829.65)
	Cash generated from operations	21,755.82	15,745.87
	Income tax paid (net of refunds)	2,473.48	5,117.74
	Net cash generated from operating activities (A)	19,282.33	10,628.13
B	Cash flow from investing activities:		
	Purchase of Property, plant and equipment, Capital work in progress, other intangible assets and capital advances	(5,781.89)	(9,814.02)
	Proceeds from sale of property, plant and equipment	91.02	159.52
	Purchase of non-current investment in joint ventures	(2,324.40)	(1,964.38)
	Redemption/(Increase) of Bank deposits (having original maturity of more than 3 months)	26.68	(4.74)
	Dividend income	81.75	47.95
	Interest received	181.84	127.37
	Net cash used in investing activities (B)	(7,725.80)	(11,447.80)
C	Cash flow from financing activities:		
	Repayment of long-term borrowings	(41.19)	(25,446.35)
	(Repayment)/ proceeds from short-term borrowings (net)	(7,450.36)	3,917.85
	Share issue expenses	-	(62.75)
	Payment of lease liabilities	(719.65)	-
	Dividend paid during the year (including dividend distribution tax)	(1,804.22)	(897.18)
	Interest paid	(1,299.83)	(1,981.15)
	Net cash used in financing activities (C)	(11,315.25)	(24,469.58)
	Net increase/(decrease) in Cash and cash equivalents (A+B+C)	241.58	(25,289.25)
	Add: Cash and cash equivalents as at the beginning of year	57.92	25,347.17
	Cash and cash equivalents as at end of the year	299.50	57.92

Note :

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in INDAS 7 'Statement of Cash Flows'.



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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF Sandhar Technologies Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying Consolidated Annual Financial Results of Sandhar Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures (including a subsidiary of a joint venture company) for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and joint ventures, the aforesaid Consolidated Annual Financial Results:

a. include the Annual Financial Results of the following entities:

Parent:

Sandhar Technologies Limited

Subsidiaries:

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

Joint ventures:

Indo Toolings Private Limited
Sandhar Daewha Automotive Systems Private Limited
Sandhar Han Sung Technologies Private Limited
Sandhar Ecco Green Energy Private Limited
Jinyoung Sandhar Mechatronics Private Limited
Kwangsung Sandhar Technologies Private Limited

B S R & Co. is a partnership firm with Registration No. BA61229 converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-B1813) with effect from October 14, 2013



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Sandhar Whetron Electronics Private Limited
Sandhar Daeshin Auto Systems Private Limited
Sandhar Amkin Industries Private Limited
Winnercom Sandhar Technologies Private Limited
Sandhar Han Shin Automotive Private Limited
Sandhar Han Shin Auto Technologies Private Limited

Subsidiary of a Joint venture:

Kwangsung Sandhar Automotive Systems Private Limited

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its joint ventures (including a subsidiary of a joint venture company) in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Annual Financial Results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These Consolidated Annual Financial Results have been prepared on the basis of the Consolidated Annual Financial Statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit / loss and other comprehensive income and other financial information of the Group and joint ventures (including a subsidiary of a joint venture company) in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the Companies included in the Group and of its joint ventures (including a subsidiary of a joint venture company) are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Annual Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the



Consolidated Annual Financial Results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Annual Financial Results, the Management and the respective Board of Directors of the companies included in the Group and joint ventures (including a subsidiary of a joint venture company) are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and joint ventures (including a subsidiary of a joint venture company) is responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

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

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

- Identify and assess the risks of material misstatement of the Consolidated Annual Financial Results, 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 through a separate report on the complete set of Financial Statements 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 in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results 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 auditors' report. However, future events or conditions may cause the Group and joint ventures (including a subsidiary of a joint venture company) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Annual Financial Results, including the disclosures, and whether the Consolidated Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and joint ventures (including a subsidiary of a joint venture company) to express an opinion on the Consolidated Annual Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Annual Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Annual Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Annual Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The Consolidated Annual Financial Results include the audited financial results of six subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 37,234.24 Lacs as at 31 March 2020, Group's share of total revenue (before consolidation adjustments) of Rs. 30,389.28 Lacs, Group's share of total net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 818.03 lacs and Group's share of net cash inflows (before consolidation adjustments) of Rs. 58.43 Lacs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The Consolidated Annual Financial Results also include the Group's share of net loss after tax (and other comprehensive income) (before consolidation adjustments) of Rs. 933.44 Lacs for the year ended 31 March 2020, as considered in the Consolidated Annual Financial Results, in respect of nine joint ventures, whose financial statements have been audited by their respective independent auditors. The independent auditor's reports on Financial Statements of these entities have been furnished to us by the management and our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Four subsidiaries are located outside India, whose financial statements and other financial information has been prepared in accordance with the accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary companies located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Independent firm of Chartered Accountants have audited these conversion adjustments made by the

Holding Company's management in India. Our opinion in so far as it relates to the balances and affairs of such subsidiary companies located outside India are based on the report of other auditor in their respective countries and conversion adjustments prepared by the management and audited by Independent firm of Chartered Accountants in India.

Our opinion on the Consolidated Annual Financial Results, in so far, as it relates to the amounts and disclosures included in respect of said subsidiaries located outside India, is based solely on the report of such auditors and the conversion adjustments prepared by the management and procedures performed by Independent firm of Chartered Accountants in India, as stated in paragraph above.

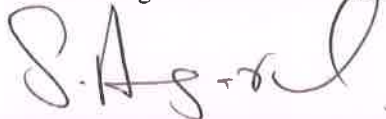
Our opinion on the Consolidated Annual Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- (b) The consolidated annual financial results include the consolidated results for the corresponding quarter ended 31 March 2019 as reported in these financial results have been approved by the Holding Company's Board of Directors and have neither been subjected to audit nor reviewed since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019.
- (c) The Consolidated Annual Financial Results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101348W / W-100022



Shashank Agarwal

Partner

Membership No.: 095109

ICAI UDIN: 20095109 AAAADY 7127

Place: Gurugram

Date: 27 June 2020

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

Sr No.	Particulars	Consolidated (₹ in lakhs, except per equity share data)				
		Quarter ended		Year ended		
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		Audited (refer note 8)	Un-audited	Un-audited (refer note 8)	Audited	Audited
1	Revenue from operations	40,858.05	48,024.93	59,082.38	194,339.70	233,582.39
2	Other income	490.45	273.73	291.46	1,004.97	637.02
3	Total income (1+2)	41,348.50	48,298.66	59,373.84	195,344.67	234,219.41
4	Expenses					
(a)	Cost of materials consumed	21,922.72	27,076.70	34,056.62	109,882.99	138,660.60
(b)	Changes in inventories of finished goods and work-in-progress	504.35	260.53	768.14	1,478.82	(371.37)
(c)	Employee benefits expense	6,835.50	7,179.51	7,387.07	29,085.81	31,169.10
(d)	Finance costs	473.30	451.97	601.03	2,045.63	2,394.62
(e)	Depreciation and amortization expense	2,455.03	2,468.54	2,044.23	9,841.47	8,088.12
(f)	Other expenses	7,707.72	8,529.51	9,888.02	34,255.30	38,976.85
	Total expenses	39,898.62	45,966.76	54,745.11	186,590.02	218,917.92
5	Profit from operations before exceptional item, share of (profit)/loss of joint ventures and tax (3-4)	1,449.88	2,331.90	4,628.73	8,754.65	15,301.49
6	Exceptional item	-	-	74.08	-	74.08
7	Share of (profit)/loss of joint ventures	(7.02)	308.93	334.33	949.72	685.94
8	Profit from operations after exceptional item, share of (profit)/loss of joint venture before tax (5-6-7)	1,456.90	2,022.97	4,220.32	7,804.93	14,541.47
9	Tax expenses					
(a)	Current tax	350.73	553.75	1,200.45	2,386.43	4,206.86
(b)	Deferred tax (credit)/charge	(104.37)	93.79	335.27	(279.38)	749.37
	Total tax expenses	246.36	647.54	1,535.72	2,107.05	4,956.23
10	Net profit after tax (8-9)	1,210.54	1,375.43	2,684.60	5,697.88	9,585.24
11	Other comprehensive income					
a)	Items that will not be reclassified to the statement of profit and loss					
i)	Gain/(Loss) on remeasurement of defined benefit obligation	1,080.13	(25.00)	(42.59)	1,006.11	(109.20)
ii)	Income tax relating to the above	(271.87)	6.29	14.46	(253.24)	37.51
b)	Items that will be reclassified to the statement of profit and loss					
i)	Exchange differences in translating the financial statements of foreign operations	183.89	75.22	(35.90)	280.46	100.30
ii)	Income tax relating to the above	(45.98)	(18.80)	8.97	(70.12)	(25.08)
	Total other comprehensive income for the period/ year (a + b)	946.17	37.71	(55.06)	963.21	3.53
12	Total comprehensive income for the period/ year (10+11)	2,156.71	1,413.14	2,629.54	6,661.09	9,588.77
	Profit attributable to:					
- Owners of the Company		1,217.25	1,368.40	2,654.83	5,689.60	9,516.22
- Non-controlling interest		(6.71)	7.03	29.77	8.28	69.02
		1,210.54	1,375.43	2,684.60	5,697.88	9,585.24
	Other comprehensive income attributable to:					
- Owners of the Company		942.40	37.71	(53.74)	959.44	4.85
- Non-controlling interest		3.77	-	(1.32)	3.77	(1.32)
		946.17	37.71	(55.06)	963.21	3.53
	Total comprehensive income attributable to:					
- Owners of the Company		2,159.65	1,406.11	2,601.09	6,649.04	9,521.07
- Non-controlling interest		(2.94)	7.03	28.45	12.05	67.70
		2,156.71	1,413.14	2,629.54	6,661.09	9,588.77
13	Paid up equity share capital (Face value of Rs 10/- per share)	6,019.07	6,019.07	6,019.07	6,019.07	6,019.07
14	Reserve excluding Revaluation Reserves	-	-	-	70,225.94	65,940.23
15	Earnings Per Share (EPS) (Face value of Rs 10/- per share) (not annualised for quarter)					
(a)	Basic	2.01	2.29	4.46	9.47	15.92
(b)	Diluted	2.01	2.29	4.46	9.47	15.92

Notes :

- 1 The above statement of audited consolidated financial results ('the Statement') for the quarter and year ended 31 March 2020, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 June 2020. The same along with the report of the Statutory auditor has been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is also available on the Company's website at www.sandhargroup.com.

Notes : Continued



2 Particulars of subsidiaries, step-down subsidiaries and joint ventures (including Subsidiary of a joint venture company) as on 31 March 2020:

- 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
(x) Winnercom Sandhar Technologies Private Limited w.e.f. 22 August 2019
(xi) Sandhar Han Shin Automotive Private Limited w.e.f. 16 September 2019
(xii) Sandhar Han Shin Auto Technologies Private Limited
- c) Subsidiary of a joint venture company: (i) Kwangsung Sandhar Automotive Systems Private Limited w.e.f 21 November 2019.

3 Refer Annexure 1 to the Statement for disclosure with respect to segment revenue, segment results and segment assets and liabilities for the quarter and year ended 31 March 2020.

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

5 The Group has, to the extent applicable, elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the group has recognised Provision for Income tax for the quarter and year ended 31 March 2020 and re-measured its Deferred tax assets/liabilities basis the rate prescribed in the said section. The impact of its change has been recognised over the period from 1 July 2019 to 31 March 2020.

6 The Board of Directors at its Meeting held on 27 June 2020, has recommend a final dividend @ 7.5% i.e. Rs. 0.75 per equity share. The dates of the Book closure for the entitlement of such dividend and Annual General Meeting shall be decided and informed in due course of time.

7 In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Consequent to this, Government of India declared a national lockdown on 25 March 2020, which has impacted the business activities of the Group. The Group has assessed the impact that may result from this pandemic on its liquidity position, carrying amounts of tangible, investments, and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has considered internal and external information available till the date of approval these financial statements and has assessed its situation.

In that context and based on the current estimates, the Group believes that COVID 19 is not likely to have any material impact on its consolidated financial results, 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 consolidated financial results. The Group would closely monitor such developments in future economic conditions and consider their impact on the consolidated financial results of the relevant periods.

8 Figures of the quarter ended 31 March 2020 are the balancing figures between audited figures of the full financial year ended 31 March 2020 and published year to date figures upto 31 December 2019, being the date of the end of the third quarter which have been reviewed by the statutory auditors. Further, for the quarter ended 31 March 2019, the results are the balancing figures between the audited figures in respect of full year and the unaudited/unreviewed figures upto third quarter ended 31 December 2018.

9 The Standalone results of the Company are available on the Company's website www.sandhargroup.com. The key standalone financial information of the Company is given below:

Particular	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	Audited	Un-audited	Audited	Audited	Audited
Revenue from operations	33,521.01	40,277.14	51,241.63	164,002.85	203,699.38
Profit before tax	1,202.04	2,240.33	4,071.73	3,092.49	14,197.06
Tax expense	265.79	568.66	1,389.66	2,006.39	4,664.36
Profit for the period	936.25	1,671.67	2,682.09	6,092.10	9,532.70
Other comprehensive income, net of income tax	789.46	(18.71)	(21.55)	734.07	(65.11)
Total comprehensive income for the period	1,725.71	1,652.96	2,660.54	6,826.17	9,467.59



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

JAYANT DAVAR
Co-Chairman and Managing Director

Place : Gurugram
Dated : 27 June 2020

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Sr No.	Particulars	Consolidated (₹ in lakhs, except per equity share data)	
		Year ended	Year ended
		31 March 2020	31 March 2019
		Audited	Audited
A	Cash flow from operating activities		
	Profit before tax	7,804.93	14,541.47
	Adjustments for :		
	Depreciation and amortization expense	9,841.47	8,088.12
	Share in loss of joint ventures accounted for using equity method	949.72	685.94
	Profit on sale of property, plant and equipment	(114.85)	(34.92)
	Provision for doubtful debts and advances	244.31	-
	Unrealised foreign exchange loss	20.70	8.95
	Interest expense	2,045.63	2,394.62
	Loss on account of cessation of joint venture	-	74.08
	MTM loss on derivative liability	(14.42)	-
	Bad debts and advances written off	90.86	20.68
	Interest income on security deposits measured at amortised cost	(1.87)	(11.06)
	Gain on investments carried at fair value through profit or loss	(62.87)	(32.23)
	Interest income	(195.07)	(122.64)
	Dividend income	(33.30)	-
	Operating profit before working capital changes	20,575.24	25,613.01
	Movements in working capital:		
	(Increase)/ Decrease in trade receivables	14,200.54	(7,002.41)
	(Increase)/ Decrease in inventories	2,366.92	(1,368.28)
	(Increase) in non current financial assets	(45.71)	(151.74)
	Decrease/(Increase) in current financial assets, including assets held for sale	1,183.16	(822.50)
	Decrease in other current assets	617.62	533.42
	Increase/ (Decrease) in trade payables	(11,493.51)	670.00
	Increase in current provisions	85.78	98.49
	Increase/(Decrease) in other financial liabilities	(13.34)	395.34
	Increase/(Decrease) in other current liabilities	(1,043.61)	575.22
	Total movement in working capital:	5,857.85	(7,072.46)
	Cash generated from operations	26,433.09	18,540.55
	Income tax paid (net of refunds)	2,532.19	5,247.01
	Net cash generated from operating activities (A)	23,900.90	13,293.54
B	Cash flow from investing activities:		
	Purchase of Property, plant and equipment, Capital work in progress, other intangible assets and capital advances	(8,751.95)	(12,356.96)
	Proceeds from sale of property, plant and equipment	161.76	289.27
	Purchase of non-current investment in joint ventures	(2,326.55)	(1,966.47)
	Proceeds from sale of investments	568.48	-
	Purchase of current investment	-	(246.34)
	(Increase) / Redemption of Bank deposits (having original maturity of more than 3 months)	26.67	(4.25)
	Dividend Income	33.30	-
	Interest received	194.96	116.75
	Net cash used in investing activities (B)	(10,093.33)	(14,168.00)
C	Cash flow from financing activities:		
	Repayment of long-term borrowings	(692.11)	(26,022.96)
	Proceeds from long-term borrowings	654.53	-
	(Repayment)/ proceeds from short-term borrowings (net)	(7,340.95)	5,166.69
	Share issue expenses	-	(62.75)
	Payment of lease liabilities	(1,179.17)	-
	Dividend paid during the period/ year (including dividend distribution tax)	(1,828.60)	(923.42)
	Interest paid	(2,053.01)	(2,500.94)
	Net cash used in from financing activities (C)	(12,439.31)	(24,343.38)
	Net increase/(decrease) in Cash and cash equivalents (A+B+C)	1,368.26	(25,217.84)
	Impact on cash flow on account of foreign currency translation	(1,068.22)	89.16
	Add: Cash and cash equivalents as at the beginning of year	370.33	25,499.01
	Cash and cash equivalents as at end of the year	670.37	370.33

Note :

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in INDAS 7 'Statement of Cash Flows'.



Sandhar Technologies Limited

STATEMENT OF ASSETS & LIABILITIES

Particulars	Standalone (₹ in lakhs, except per equity share data)		Consolidated (₹ in lakhs, except per equity share data)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Audited	Audited	Audited	Audited
ASSETS				
Non-current assets				
Property, plant and equipment	57,511.94	57,731.75	74,085.02	73,061.18
Capital work-in-progress	2,209.57	2,799.58	3,299.95	3,739.37
Right-of-use assets	1,283.80	-	7,613.05	-
Goodwill	552.35	552.35	553.30	553.30
Other Intangible assets	789.58	666.24	880.57	727.84
Equity accounted investees	-	-	3,681.20	2,182.52
Financial assets				
(i) Investments	9,123.60	6,744.19	820.50	887.34
(ii) Loans	940.19	918.81	1,126.87	1,081.16
Income-tax assets	202.78	99.31	235.89	119.83
Other non-current assets	196.40	731.46	196.40	731.46
Total non-current assets	72,810.21	70,243.69	92,492.75	83,084.00
Current assets				
Inventories	12,099.67	13,454.96	19,569.36	21,936.28
Financial assets				
(i) Investment	-	-	294.23	854.85
(ii) Loans	766.92	405.06	1,664.68	1,637.10
(iii) Trade receivables	16,084.10	30,068.43	19,187.77	33,721.60
(iv) Cash and cash equivalents	299.50	57.92	670.37	370.33
(v) Other Bank balances	79.26	105.93	79.26	105.93
(vi) Other financial assets	278.97	1,341.50	279.08	1,376.79
Other current assets	1,792.72	2,198.28	2,351.84	2,969.47
Total current assets	31,401.14	47,632.08	44,096.59	62,972.35
Assets held for sale	-	96.64	-	96.64
Total assets	104,211.35	117,972.41	136,589.34	146,152.99
EQUITY AND LIABILITIES				
Equity				
Equity share capital	6,019.07	6,019.07	6,019.07	6,019.07
Other equity	69,735.78	64,846.31	70,225.94	65,940.23
Total equity attributable to equity shareholders	75,754.85	70,865.38	76,245.01	71,959.30
Non-controlling interests	-	-	362.56	350.51
Total equity	75,754.85	70,865.38	76,607.57	72,309.81
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	23.85	59.43	921.39	843.04
(ii) Lease Liabilities	863.80	3.95	6,965.50	3.95
(iii) Other financial liabilities	-	-	375.78	597.65
Provisions	-	-	70.69	95.43
Deferred tax liabilities (net)	1,119.00	1,165.00	1,754.98	1,695.47
Total non-current liabilities	2,006.65	1,228.38	10,088.34	3,235.54
Current liabilities				
Financial liabilities				
(i) Borrowings	3,866.89	11,317.25	18,579.82	25,945.84
(ii) Trade payables				
• total outstanding dues of micro enterprises and small enterprises	1,135.94	1,387.97	1,135.94	1,387.97
• total outstanding dues of creditors other than micro enterprises and small enterprises	17,694.26	27,981.86	22,874.63	34,093.54
(iii) Lease Liabilities	577.81	0.29	1,267.41	0.29
(iv) Other financial liabilities	1,933.30	1,987.38	3,990.37	5,080.18
Other current liabilities	608.34	1,599.71	1,405.92	2,449.53
Income-tax Liabilities	-	323.63	-	364.55
Provisions	633.31	1,280.56	639.34	1,285.74
Total current liabilities	26,449.85	45,878.65	49,893.43	70,607.64
Total liabilities	28,456.50	47,107.03	59,981.77	73,843.18
Total equity and liabilities	104,211.35	117,972.41	136,589.34	146,152.99



Annexure 1 - Segment revenue and Segment results For the quarter and year ending 31 March 2020						
Sr No.	Particulars	Quarter ended (₹ in lacs)		Year ended (₹ in lacs)		
		31 March 2020	31 December 2019	31 March 2020	31 March 2019	
		Audited	Un-audited	Audited	Audited	
1	Segment revenue					
	a) India	33,784.46	40,720.98	51,798.37	165,262.39	205,236.63
	b) Europe	7,073.59	7,303.95	7,284.01	29,077.31	28,345.76
	Income from operations (net)	40,858.05	48,024.93	59,082.38	194,339.70	233,582.39
2	Segment results (profit (+), loss (-) before tax, exceptional items and interest from each segment)					
	a) India	1,457.28	2,259.10	4,536.64	8,460.28	15,849.26
	b) Europe	472.92	215.84	358.79	1,390.28	1,160.91
	Total	1,930.20	2,474.94	4,895.43	9,850.56	17,010.17
	Less:					
	a) Interest (finance costs)	473.29	451.97	601.03	2,045.63	2,394.62
	b) Exceptional items	-	-	74.08	-	74.08
	Total Profit before tax	1,456.91	2,022.97	4,220.32	7,804.93	14,541.47
3	Segment assets					
	a) India	101,533.80	103,074.54	116,348.07	101,533.80	116,348.07
	b) Europe	35,055.54	34,063.77	29,804.92	35,055.54	29,804.92
	Total assets	136,589.34	137,138.31	146,152.99	136,589.34	146,152.99
4	Segment liabilities					
	a) India	29,048.54	31,404.24	47,804.58	29,048.54	47,804.58
	b) Europe	30,933.24	30,376.17	26,038.60	30,933.24	26,038.60
	Total liabilities	59,981.78	61,780.41	73,843.18	59,981.78	73,843.18
5	Capital employed (Segment assets less Segment liabilities)					
	a) India	72,485.28	71,670.30	68,543.49	72,485.28	68,543.49
	b) Europe	4,122.29	3,687.60	3,766.32	4,122.29	3,766.32
	Total capital employed	76,607.57	75,357.90	72,309.81	76,607.57	72,309.81

