



NDR AUTO COMPONENTS LIMITED

Corporate office: Plot No.1, Maruti Joint Venture Complex, Gurugram, Haryana-122015

CIN: L29304DL2019PLC347460

Email id: contact@nacl.co.in

Website: www.ndrauto.com

Phone No.: 9643339870-74

21st June, 2023

BSE Limited Corporate Relationship Deptt. PJ Towers, 25 th Floor, Dalal Street, Mumbai – 400 001 Scrip Code: 543214	National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Code: NDRAUTO
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Sub: Notice of 4th Annual General Meeting (AGM) along with Annual Report for the year ended 31st March, 2023, book closure, cut-off date and e-voting dates

Dear Sir/ Madam,

Pursuant to Regulation 34 and 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (i.e. LODR Regulations), read with Schedule III and Section 91 of the Companies Act, 2013, please find enclosed the Notice for the 4th Annual General Meeting of NDR Auto Components Limited scheduled to be held on Wednesday, 19th July, 2023 at 11 a.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). The Annual Report for the year ended 31st March, 2023, in this regard, is being sent to shareholders. The same is also available on the website of the Company at www.ndrauto.com.

The schedule of different events is as follows:

Event	Date and Time
Pursuant to Regulation 42 of SEBI(LODR) Regulations, Book closure for the purpose of 4 th AGM and for payment of dividend, if any, declared in the ensuing AGM	13 th July, 2023 to 19 th July, 2023 (both days inclusive)
Cut-off date for e-voting	12 th July, 2023
Remote E-voting start date	15 th July, 2023 from 9:00 a.m.
Remote E-voting end date	18 th July, 2023 till 5:00 p.m.
Annual General Meeting, (along with e-voting)	19 th July, 2023 at 11:00 a.m.

This is for your information and record.

For NDR Auto Components Limited

Rajat Bhandari
Executive Director and Company Secretary
DIN: 02154950

Registered office: Level-5, Regus Caddie Commercial Tower, Hospitality District Aerocity, IGI
Airport, New Delhi 110037 **Tel.:** +91 011-6654 4976



4TH ANNUAL REPORT 2022-2023

NDR AUTO COMPONENTS LIMITED

Corporate Information**Board of Directors**

- | | | |
|----|--------------------------|--|
| 1. | Mr. Sanjiv Kapur | Chairman and Director (DIN: 00755441) |
| 2. | Mr. Rohit Relan | Co-Chairman and Director (DIN: 00257572) |
| 3. | Ms. Shyamla Khera | Independent Director (DIN: 06929439) |
| 4. | Ms. Vanita Chhabra | Independent Director (DIN: 02161276) |
| 5. | Ms. Deepa Gopalan Wadhwa | Independent Director (DIN: 07862942) |
| 6. | Mr. Rishabh Relan | Director (DIN: 07726444) |
| 7. | Mr. Pranav Relan | Whole Time Director (DIN: 07177944) |
| 8. | Mr. Ayush Relan | Whole Time Director (DIN: 07716326) |
| 9. | Mr. Rajat Bhandari | Executive Director and Company Secretary (DIN: 02154950) |

Corporate Identity Number

CIN: L29304DL2019PLC347460

Bankers

ICICI Limited

HDFC Bank Limited

Registered OfficeLevel-5, Regus Caddie Commercial Tower Hospitality District Aerocity,
IGI Airport New Delhi South West Delhi DL 110037 IN**Works**Plant I C506, Block-C, Pioneer Industrial Park (Village Bhudaka), Pathredi,
Gurugram, Haryana

Plant II Plot No. 8, Sector 37, Gurugram, Haryana

Plant III Plot No 293, Road No 2 (KIADB) Industrial Area 2nd Phase Harohalli
Karnataka Taluk, Ramanagara Dist. 562112 (Bengaluru)Plant IV New Survey/ Block No.30 (Old Revenue Survey no. 403/9) Moje Naviyani,
Taluka Dasada, Distt. Surenderanagar, Part of Nihon Industrial Park,
Gujarat**Auditors**

S S Kothari Mehta & Company, Chartered Accountants, New Delhi

Listed at

BSE Limited

National Stock Exchange of India Limited

Chief Financial Officer

Mr. Vinod Kumar

Company Secretary And Compliance Officer

Mr. Rajat Bhandari

Registrar And Share Transfer AgentBeetal Financial & Computer Services (P) Limited,
Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi, Delhi 110062,
Phone: +911129961281
Email id: beetal@beetalfinancial.com
www.beetalfinancial.com**E-Mail and Website**

cs@ndrauto.com, www.ndrauto.com

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NDR AUTO COMPONENTS LIMITED

CIN: L29304DL2019PLC347460

Registered Office: Level-5, Regus Caddie Commercial Tower, Hospitality District Aerocity, IGI Airport, New Delhi 110037

Tel : +91 9643339870 - 74, Email: cs@ndrauto.com Website : www.ndrauto.com

NOTICE

NOTICE is hereby given that the Fourth Annual General Meeting (AGM) of the members of NDR Auto Components Limited ("the Company") will be held on Wednesday, 19th July, 2023 at 11 a.m. through Video Conferencing ('VC') / other Audio Visual Means ('OAVM'), to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023, together with the reports of the Directors and Auditors thereon and in this regard, to give assent or dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited financial statements, both standalone and consolidated financial statements of the Company for the year ended 31st March, 2023 including the audited Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. To declare dividend on equity shares for the financial year ended March 31, 2023 and in this regard, to give assent or dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the recommendation of the Board of the directors of the Company, dividend at the rate of Rs. 5/- per Equity Share of Rs. 10/- each on the paid-up equity share capital of the Company be and is hereby declared to be paid to the members of the Company."

3. To appoint Mr. Ayush Relan (DIN: 07716326) who retires by rotation at this meeting as a Director and being eligible offers himself for re-appointment and in this regard, to give assent or dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Ayush Relan (DIN: 07716326), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To appoint Mr. Rajat Bhandari (DIN: 02154950) who retires by rotation at this meeting as a Director and being eligible offers himself for re-appointment and in this regard, to give assent or dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Rajat Bhandari (DIN: 02154950), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

5. Related Party Transactions with Bharat Seats Limited

To consider and approve the Related Party Transaction with Bharat Seats Limited and in this regard, to give assent or dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), approval be and is hereby accorded to the Board of Directors of the Company to enter into any type/nature of transactions as detailed below by way of entering into contract(s)/ arrangement(s)/ transaction(s) with Bharat Seats Ltd., being related party within the meaning of Section 2(76) and Regulation 2(zb) of Listing Regulations of the Act, which is exceeding 10% of the turnover of the Company for financial year 2023-24 onwards on such terms and conditions as the Board of Directors may deem fit:

- i. Sale of products, goods, materials, assets or services or services including reimbursement of expenses, up to a maximum aggregate value of Rs. 500 Crore in a Financial Year;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.

6. Approval to give Loan, Guarantee and Investment

To consider and approve the grant of Loan, Guarantee and Investment and in this regard, to give assent or dissent to the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to:

- (a) give any loan to any body corporate(s) / person (s); and/or
- (b) give any guarantee or provide security in connection with a loan to any body / person; and/or
- (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 100 Crores (Indian Rupees One Hundred Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

7. To re-appoint Mr. Pranav Relan (DIN: 07177944) as a Wholetime Director of the Company and in this regard, to give assent or dissent to the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 196, 197 and Schedule V and all other applicable provisions of the Companies Act, 2013, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions of the “Listing Regulations” and in accordance with the recommendation made by the Nomination and Remuneration Committee and by the Board, consent be and is hereby accorded for re-appointment of Mr. Pranav Relan (DIN: 07177944) as a Whole Time Director for a further period of three years with effect from 27th October, 2023 to 26th October, 2026 on the following terms and conditions:

DETAILS OF REMUNERATION, INCLUDING PERQUISITES:

- I. Salary: Rs.5,00,000 p.m. with a provision of annual increment of 10% per annum.
- II. Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to company car along with reimbursement of car running & maintenance and driver expenses.

However, contribution to provident fund, payment of gratuity and leave encashment will not be accounted for the purpose of value of perks.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Mr. Pranav Relan same remuneration as stated above.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”

8. To re-appoint Mr. Ayush Relan (DIN: 07716326) as a Wholetime Director of the Company and in this regard, to give assent or dissent to the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 196, 197 and Schedule V and all other applicable provisions of the Companies Act, 2013, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions of the “Listing Regulations” and in accordance with the recommendation made by the Nomination and Remuneration Committee and by the Board, consent be and is hereby accorded for re-appointment of Mr. Ayush Relan (DIN: 07716326) as a Whole Time Director for a period of further three years with effect from 2nd January, 2024 to 1st January, 2027 on the following terms and conditions:

DETAILS OF REMUNERATION, INCLUDING PERQUISITES:

- I. Salary: Rs.5,00,000 p.m. with a provision of annual increment of 10% per annum.
- II. Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to company car along with reimbursement of car running & maintenance and driver expenses.

However, contribution to provident fund, payment of gratuity and leave encashment will not be accounted for the purpose of value of perks.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Mr. Ayush Relan same remuneration as stated above.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”

9. To re-appoint Mr. Rajat Bhandari (DIN: 02154950) as a Wholetime Director of the Company and in this regard, to give assent or dissent to the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 196, 197 and Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the recommendation made by the Nomination and Remuneration Committee and by the Board, consent be and is hereby accorded for re-appointment of Mr. Rajat Bhandari (DIN: 02154950) as a Whole Time Director (designated as Executive Director and Company Secretary) for a period of three years with effect from 2nd January, 2024 to 1st January, 2027 on the following terms and conditions:

DETAILS OF REMUNERATION, INCLUDING PERQUISITES:

- I. Salary: Rs. 4,39,200 p.m. with a provision of annual increment of 10% per annum.
- II. Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to chauffeur driven company car along with reimbursement of car maintenance.
- III. Variable pay: 15% of Basic salary and perquisites.

However, contribution to provident fund and leave encashment will not be accounted for the purpose of value of perks.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Mr. Rajat Bhandari same remuneration as stated above.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”

10. To increase the Authorised Share Capital of the Company

To consider and in this regard, give assent or dissent to the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and other applicable provisions, if any of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and the relevant rules framed there under and in accordance with the relevant provisions of the Articles of Association of the Company, consent and approval of Members of the Company be and is hereby accorded to increase the Authorised Share Capital of Company from Rs. 6,00,00,000/- (Rupees Six Crore), divided into 60,00,000 (Sixty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 24,00,00,000/- (Rupees Twenty Four Crore), divided into 2,40,00,000 (Two Crore Forty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each by creation of 1,80,00,000 (One Crore, Eighty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

11. To alter the Capital Clause of Memorandum of Association of the Company

To consider and in this regard, give assent or dissent to the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including statutory modification (s) or enactment (s) thereof, for the time being in force), subject to such approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to substitute the existing 5th clause of the Memorandum of Association of the Company with the following new 5th Clause:

“5th. The Authorised Share Capital of the Company is Rs. 24,00,00,000/- (Rupees Twenty Four Crore), divided into 2,40,00,000 (Two Crore Forty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each.”

12. Issue of Bonus Shares

To consider and in this regard, give assent or dissent to the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, relevant provisions of Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and other applicable regulations, rules and guidelines issued by Securities and Exchange Board of India and the Reserve Bank of India ('RBI') from time to time, and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities, consent/ approval of the Members be and is hereby accorded for capitalization of such sum standing to the credit of free reserves of the Company, as may be considered necessary by the Board of Directors (hereinafter referred to as 'the Board'; which expression shall be deemed to include a Committee of Directors and senior management officers of the Company duly constituted by the Board), for the purpose of issuance of fully paid-up bonus equity shares) ('bonus shares') to the Members of the Company in the proportion of 1 (One) Bonus Equity Share for every 1 (One) Equity Share held as on such date as may be fixed by the Board for this

purpose ('record date').

AND THAT the new bonus equity shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such member.

RESOLVED FURTHER THAT the bonus shares so allotted shall rank pari passu in all respects with the existing equity shares (fully paid-up) of the Company as on the record date and the same shall be subject to the terms and conditions contained in Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT the new Equity Shares will be credited in electronic form to the respective beneficiary accounts of the members held with their respective Depository Participant(s), of the shareholders who hold the existing equity shares in electronic form, and in case of members who hold equity shares in physical form, and who do not have valid demat account, the new bonus equity shares shall be dealt with in accordance with applicable provisions of SEBI Regulations and other relevant authorities within the prescribed time.

RESOLVED FURTHER THAT the issue and allotment of the Bonus Equity Shares to Non-Resident Members, Foreign Institutional Investors (FIIs) and other Foreign Investors, if any, shall be subject to the applicable regulations under the Foreign Exchange Management Act, 1999 or Reserve Bank of India or approval of any other appropriate regulatory/statutory authorities, as may be necessary.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, Board be and is hereby authorized to delegate such powers and/or authority to any one or more of the Wholtime Director, Chief Financial Officer, Company Secretary or any other person / official for implementation of the above resolution and to make listing and/or trading application to the Stock Exchanges and to deal with Depositories and any other authorities as may be required for the aforesaid shares and to sign and execute all necessary forms, paper, writings, agreements and documents as may be deemed necessary and expedient in the aforesaid matters and to do such other acts and deeds required to give effect to the aforesaid resolutions."

For **NDR AUTO COMPONENTS LIMITED**

Date : May 29, 2023
Place : New Delhi

Rajat Bhandari
Executive Director and Company Secretary
DIN: 02154950

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 with regard to the special business as set out under item no. 5 to item no. 12 and the relevant details pursuant to 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment(s)/ re-appointment at this Annual General Meeting ("AGM") are annexed.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December 2021, 21/2021 dated 14th December 2021, 02/2022 dated 5th May, 2022 and 10/2022 dated December 28, 2022 respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th September, 2023. In accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020 and in compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 4th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 4th AGM shall be registered office of the Company.
3. Corporate members are requested to send at beetalrta@gmail.com or cs@ndrauto.com before e-voting/ attending annual general meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 13th July, 2023 to 19th July, 2023 both days inclusive, for determining the entitlement of the shareholders to the Dividend for 2022-2023, if declared.
5. The Dividend on Equity Shares, as recommended by the Board of Directors, if declared at the meeting, will be credited/ dispatched between 20th July, 2023 and 17th August, 2023 to those shareholders whose names appear in the Register of Members on 12th July, 2023 ("cut off date"). In case of shares held in dematerialised form, the dividend thereon, will be paid to Beneficial Owners, as per details furnished by the Depositories, i.e. National Securities Depository Limited and Central Depository Services(India) Limited as on the close of business hours on 12th July, 2023.
6. Members who hold shares in dematerialised form may kindly note that their Bank Account details, registered against their

respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, BEETAL Financial & Computer Services Pvt Ltd. cannot act on any request received directly from the members holding shares in dematerialised form, for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.

7. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend, are requested to notify the Company/ BEETAL Financial & Computer Services Pvt Ltd.
8. Members are requested to note that, dividends if not encashed for a period of seven years from the date of transfer to Unpaid dividend account of the Company, are liable to be transferred to the IEPF. The shares in respect of such unclaimed dividend if not encashed for a consecutive period of 7 (seven) years are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company within the stipulated timeline.
9. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialised form.
10. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1st October 2023, in case any of the above cited documents/details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://ndrauto.com/investor-service-request/>
11. To prevent fraudulent transactions, members are requested to notify any change in address or demise of any member, as soon as possible.
12. Members holding shares in electronic mode:
 - a. are requested to submit their PAN and Bank account details to their respective DPs with whom they are maintaining their demat accounts.
 - b. are advised to contact their respective DPs for registering the nomination.
 - c. are requested to register/ update their email address with their respective DPs for receiving all communications from the Company electronically.
13. Electronic copy of the Notice of the Fourth Annual General Meeting and Annual Report for 2022-23 is being sent to all the members whose email IDs are registered with the Company/Depository Participant.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to cs@ndrauto.com
15. In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate the Company's Registrar and Transfer Agents, BEETAL Financial & Computer Services Pvt Ltd., under the signature of the Sole/ First Joint holder, the following information to be incorporated on dividend warrants:
 - a. Name of the Sole/ First joint holder and the Folio Number.
 - b. Particulars of Bank Account, viz.: Name of the Bank, Name of the Branch, Complete Address of the Bank with Pin Code Number
Account Type, whether Saving Account (SA) or Current Account (CA) Bank Account Number
16. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 7 days before the Annual General Meeting. The Company has designated an exclusive e-mail ID namely, cs@ndrauto.com for receiving and addressing investors' grievances.
17. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on the cutoff date i.e. 12th July, 2023, i.e. the date prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. (IST) on 15th July, 2023 and will end at 5.00 p.m. (IST) on 18th July, 2023. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members who are present in the AGM through video conferencing facility and have not cast their vote by remote e-voting shall be eligible to vote at the AGM through e-voting system. (Refer serial no. 19 for detailed procedure to vote through e-voting). Members whose email ids are not

registered with the depositories for procuring user id and password and registration of e mail ids for e- voting for the resolutions are requested to refer the instructions provided at serial no. 19.

18. The Company has appointed Mr. R.S. Bhatia, Company Secretary in Practice, (Membership Number: FCS 2599, CP No. 2514) and failing him, Mr. Hardev Singh, Company Secretary in Practice, (Membership Number: FCS 6673, CP No.3317) to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
19. The facility of casting the votes by the members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).
NSDL e-Voting System- Remote e-voting and e-voting during AGM
 - a. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
 - b. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
 - c. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
 - d. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - e. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
 - f. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.ndrauto.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsd.com.
 - g. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on July 15, 2023 at 09:00 A.M. and ends on July 18, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e., July 12, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 12, 2023.

How do I vote electronically using NSDL e-Voting system?




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open

the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rsbhataics@aol.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@ndrauto.com
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client

master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@ndrauto.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@ndrauto.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

For **NDR AUTO COMPONENTS LIMITED**

Date : May 29, 2023
Place : New Delhi

Rajat Bhandari
Executive Director and Company Secretary
DIN: 02154950

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5:

In accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions require prior approval of the Audit Committee and all material Related Party Transactions require approval of the shareholders through Ordinary Resolution. A transaction with a related party shall be considered material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or Rupees one thousand crores, whichever is less. Section 188 of the Companies Act, 2013 deals with Related party

NDR AUTO COMPONENTS LIMITED

Transactions and Sub section (1) of Section 188 of the Companies Act, 2013 provides that nothing in this sub section shall apply to any transactions entered into by the Company with Related party, which are in its ordinary course of business, other than transactions which are not on arm's length basis. In our Company, all the related party transactions are in the ordinary course of business and at arm's length basis. Therefore, the approval under section 188 of the Companies Act is not required. Keeping in view the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's policy on Related Party transaction(s) and intent of the Companies Act, 2013, the Audit Committee had approved in its meeting held on January 27, 2023 and the Board of Directors of the Company in their meeting held on 29th May, 2023 for enhancement of limit from Rs. 350 crore to 500 crore and recommended for seeking the approval of the shareholders for the financial year 2023-24 and onwards for the following transaction(s):

Sr. no.	Description	
a.	Type, material terms and particulars of the proposed transaction	Sale of products, goods, materials, assets or services or services including reimbursement of expenses
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Bharat Seats Limited, an associate Company
c.	Tenure of the proposed transaction (particular tenure shall be specified)	Ongoing and perpetual transaction
d.	Value of the proposed transaction	Upto a maximum of Rs. 500 Crores per annum
e.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	127%
f.	Justification as to why the RPT is in the interest of the listed entity	The Company, being an associate of Bharat Seats Limited (BSL) is doing transactions with BSL since its inception in ordinary course of business and on arm's length basis, based on transfer pricing study conducted by external agency, within the limits approved by Audit Committee and shareholders in their respective meetings held on 10 th March, 2022 and 30 th June, 2022 and subsequently by Audit Committee in its meeting held on January 27, 2023. Now there are enhanced limits to be approved by shareholders.
g.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Required
h.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	48%
i.	Any other information that may be relevant	-

Except Mr. Rohit Relan, Ms. Shyamla Khara, Mr. Rishabh Relan none of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The related parties namely Mr. Rohit Relan, Mr Rishabh Relan, Ms. Shyamla Khara (for item No. 5) shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

The Board of Directors of the Company recommends the Resolution(s) as set out in item no. 5 above for approval of members by way of an Ordinary Resolution.

Item No. 6:

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice for an amount not exceeding INR 100 Crores (Indian Rupees One Hundred crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

Item No. 7:

Mr. Pranav Relan (DIN: 07177944) is presently working as a Whole Time Director. His present term will expire on 26th October, 2023. The Board of Directors of the Company on the recommendations of Nomination and Remuneration Committee and subject to approval of the members, re-appointed Mr. Pranav Relan as a Whole Time Director for another term of 3 years i.e. from October 27, 2023 to October 26, 2026.

Mr. Pranav Relan has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited.

Based on the strong performance of the Company under the leadership of Mr. Pranav Relan, the Nomination and Remuneration Committee recommended the reappointment of Mr. Pranav Relan as a Whole Time Director of the Company for a further period of 3 years i.e., from October 27, 2023 to October 26, 2026 on the terms and conditions including remuneration, as contained in this explanatory statement.

Accordingly, the Board of Directors, at its meeting held on May 29, 2023, based on the recommendation of Nomination Committee and Remuneration Committee and subject to approval of members, approved the re-appointment of Mr. Pranav Relan as a Whole time Director of the Company for a further period of 3 years i.e. from October 27, 2023 to October 26, 2026, on the terms and conditions, including the remuneration payable to Mr. Pranav Relan, as contained in this explanatory statement.

Mr. Pranav Relan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. A copy of notice is available for inspection by the members at the registered office of the Company. He is part of the promoter group of the Company and he along with other Person acting in concert with him controls the majority of shareholding of the Company. Mr. Pranav Relan has also confirmed that he is not debarred from holding the office of director by virtue of the SEBI Order in this regard and pursuant to circular dated 20/06/2018 issued by BSE Limited and the NSE pertaining to the enforcement of the SEBI orders regarding appointment of directors by the listed companies.

Pursuant to the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time members approval is sought for the re-appointment of Mr. Pranav Relan (DIN: 07177944) as a Whole Time Director and remuneration payable to him.

Members may please note that as per provisions of Regulation 17 (6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, if the aggregate annual remuneration payable to promoter directors exceeds 5 per cent of the net profits of the listed entity, then approval of the shareholders by way of Special Resolution is required. As the total remuneration payable to Mr. Pranav Relan and his brother Mr. Ayush Relan may exceed 5 per cent of the net profits of the company, member's approval by way of Special Resolution is sought.

General Information pursuant to the provision of schedule V, SS-2 on general meetings issued by the ICSI and regulation 36(3) of SEBI LODR is as under is as under:

I. General information:

1. Nature of industry:

The Company is engaged in manufacturing of seat frames and trims at their plants at Gurgaon, Bengaluru and Gujarat.

2. Date or expected date of commencement of commercial production:

The Company is already in production for more than three years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable, the Company is an existing one.

4. Financial performance based on given indicators:

Financial performance of the Company in relation to various indicators during the period ended 31st March, 2023 is hereunder:

(Rs. in lakhs)

Particulars	2022-23	2021-22
Revenue from operations (Gross)	39278.46	23254.89
Net Profit after tax	2135.79	1079.62
Dividend	Rs. 5.00/- per Equity Share	Rs. 2.50/- per Equity Share

Foreign investments or collaborations, if any- NIL

II. Information about Mr. Pranav Relan, Whole Time Director:

1. Background details:

He is Graduate in Economics from Emory College of Arts and Sciences, Emory University, Georgia, United States and has also cleared certification examination in "NISM – Series – VIII: Equity Derivatives Certification Examination. He has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited.

He has rich experience in the Stock Market and managing internal financial controls, operating controls and compliance controls of Company. He was a Whole Time Director of Relan Industrial Finance Limited for a period of three years, from 21st July, 2015 to 20th July, 2018, a Company having membership of National Stock Exchange of India and having membership of Future and Cash market segment.

Mr. Pranav has also worked with Bharat Seats Limited as Assistant Chief Operating Officer and handled internal financial controls, operating controls and compliance controls.

2. Past remuneration:

(Rs. in Lakhs)

Mr. Pranav Relan	Whole Time Director	Salary	41.30
		Allowances and Perquisites	20.65
		Contribution to P.F. & Gratuity	6.43
		Total	68.38

3. Recognition or awards: NIL

4. Job profile and his suitability

His job profile comprises of handling internal financial controls, operating controls and compliance controls.

5. Remuneration proposed:

- Salary: Rs.5,00,000 p.m. with a provision of an annual increment of 10% per annum.
- Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to company car along with reimbursement of car running & maintenance and driver expenses.

However, contribution to provident fund, payment of gratuity and leave encashment will not be accounted for the purpose of value of perks.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Considering the turnover of the Company and responsibilities of Mr. Pranav Relan, the remuneration being paid to the Whole Time Director is reasonable and in line with the remuneration levels in the industry across the country and befits his position.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Except for the remuneration as Whole Time Director and his shareholding, Mr. Pranav Relan has no other pecuniary relationship with the Company. Mr. Pranav Relan is related to Mr. Rohit Relan, Director of the Company, who is his father and Mr. Rishabh Relan and Mr. Ayush Relan, Directors, who are his brothers.

III. Other information:

1. Reasons of loss or inadequate profits

The Company is moving forward and is receiving fresh projects, the benefits of which will accrue in future years and remain uncertain.

2. Steps taken or proposed to be taken for improvement.

The Company has taken the following steps to improve the profitability:

- a) Cost reduction and productivity improvement.
 - b) Upgrading the Seating frame and trim manufacturing facilities to International Standard.
3. Expected increase in productivity and profits in measurable terms

With the above measures, the operating efficiencies and profits of the Company are expected to increase significantly.

IV. Disclosures

The following disclosures are/ shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', attached to the financial statement:

- (i) All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors;
- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) Service contracts, notice period, severance fees;
- (iv) Stock option details, if any, and whether the same has been issued at a discount.

Except Mr. Pranav Relan himself, his father Mr. Rohit Relan and his brothers Mr. Rishabh Relan and Mr. Ayush Relan none of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Pranav Relan as per provisions of section 190 of the Companies Act, 2013. The Board recommends this resolution as set forth in the Notice as Item No. 7 as Special Resolution.

Item No. 8:

Mr. Ayush Relan (DIN: 07716326) is presently working as a Whole Time Director. His present term will expire on 1st January, 2024. The Board of Directors of the Company on the recommendations of Nomination and Remuneration Committee and subject to approval of the members, re-appointed Mr. Ayush Relan as a Whole Time Director for another term of 3 years i.e. from 2nd January, 2024 to 1st January, 2027.

Mr. Ayush Relan has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited.

Accordingly, the Board of Directors, at its meeting held on May 29, 2023, based on the recommendation of Nomination Committee and Remuneration Committee and subject to approval of members, approved the re-appointment of Mr. Ayush Relan as a Whole time Director of the Company for a further period of 3 years i.e. from 2nd January, 2024 to 1st January, 2027, on the terms and conditions, including the remuneration payable to Mr. Ayush Relan, as contained in this explanatory statement.

Mr. Ayush Relan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. A copy of notice is available for inspection by the members at the registered office of the Company. He is part of the promoter group of the Company and he along with other Person acting in concert with him controls the majority of shareholding of the Company. Mr. Ayush Relan has also confirmed that he is not debarred from holding the office of director by virtue of the SEBI Order in this regard and pursuant to circular dated 20/06/2018 issued by BSE Limited and the NSE pertaining to the enforcement of the SEBI orders regarding appointment of directors by the listed companies.

Pursuant to the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, members' approval is sought for the re-appointment of Mr. Ayush Relan (DIN: 07716326) as a Whole Time Director and remuneration payable to him.

Members may please note that as per provisions of Regulation 17 (6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, if the aggregate annual remuneration payable to promoter directors exceeds 5 per cent of the net profits of the listed entity, then approval of the shareholders by way of Special Resolution is required. As the total remuneration payable to Mr. Ayush Relan and his brother Mr. Pranav Relan may exceed 5 per cent of the net profits of the company, member's approval by way of Special Resolution is sought.

General Information pursuant to the provision of Schedule V, SS-2 on general meetings issued by the ICSI and regulation 36(3) of SEBI

LODR is as under is as under:

I. General information:

1. Nature of industry:

The Company is engaged in manufacturing of seat frames and trims at their plants at Gurgaon, Bengaluru and Gujarat.

2. Date or expected date of commencement of commercial production:

The Company is already in production for more than three years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable, the Company is an existing one.

4. Financial performance based on given indicators:

Financial performance of the Company in relation to various indicators during the period ended 31st March, 2023 is hereunder:

(Rs. in lakhs)

Particulars	2022-23	2021-22
Revenue from operations (Gross)	39278.46	23254.89
Net Profit after tax	2135.79	1079.62
Dividend	Rs. 5.00/- per Equity Share	Rs. 2.50/- per Equity Share

Foreign investments or collaborations, if any- NIL

II. Information about Mr. Ayush Relan, Whole Time Director:

1. Background details:

He did his Bachelor of Science in Business Administration with specialization in Entrepreneurship & Marketing from North Eastern University in Boston, U.S.A. He has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited. He specializes in business development and new projects.

Mr. Ayush Relan has worked with Bharat Seats Limited as Assistant Chief Operating Officer and handled internal financial controls, operating controls and compliance controls.

2. Past remuneration:

(Rs. in lakhs)

Mr. Ayush Relan	Whole Time Director	Salary	40.58
		Allowances and Perquisites	20.29
		Contribution to P.F. & Gratuity	6.34
		Total	67.21

3. Recognition or awards: NIL

4. Job profile and his suitability

His job profile comprises of handling internal financial controls, operating controls and compliance controls.

5. Remuneration proposed:

a. Salary: Rs.5,00,000 p.m. with a provision of annual increment of 10% per annum.

b. Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to company car along with reimbursement of car running & maintenance and driver expenses.

However, contribution to provident fund, payment of gratuity and leave encashment will not be accounted for the purpose of value of perks.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Considering the turnover of the Company and responsibilities of Mr. Ayush Relan, the remuneration being paid to the Whole Time Director is reasonable and in line with the remuneration levels in the industry across the country and befits his position.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Except for the remuneration as Whole Time Director and his shareholding, Mr. Ayush Relan has no other pecuniary relationship with the Company. Mr. Ayush Relan is related to Mr. Rohit Relan, Director of the Company, who is his father and Mr. Rishabh Relan and Mr. Pranav Relan, Directors, who are his brothers.

III. Other information:

1. Reasons of loss or inadequate profits

The Company is moving forward and is receiving new projects, the benefits of which will accrue in future years and remain uncertain.

2. Steps taken or proposed to be taken for improvement.

The Company has taken the following steps to improve the profitability:

- a) Cost reduction and productivity improvement.
- b) Upgrading the Seating frame and trim manufacturing facilities to International Standard.

3. Expected increase in productivity and profits in measurable terms

With the above measures, the operating efficiencies and profits of the Company are expected to increase significantly.

IV. Disclosures

The following disclosures are/ shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', attached to the financial statement:

- (i) All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors;
- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) Service contracts, notice period, severance fees;
- (iv) Stock option details, if any, and whether the same has been issued at a discount.

Except Mr. Ayush Relan himself, his father Mr. Rohit Relan and his brothers Mr. Rishabh Relan and Mr. Pranav Relan none of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Ayush Relan as per provisions of section 190 of the Companies Act, 2013. The Board recommends this resolution as set forth in the Notice as Item No. 8 as Special Resolution.

Item No. 9:

Mr. Rajat Bhandari (DIN: 02154950) is presently working as a Whole Time Director, designated as Executive Director and Company Secretary. His present term will expire on 1st January, 2024. The Board of Directors of the Company on the recommendations of Nomination and Remuneration Committee and subject to approval of the members, re-appointed Mr. Bhandari as a Whole Time Director for another term of 3 years i.e. from 2nd January, 2024 to 1st January, 2027.

Mr. Rajat Bhandari is a Chartered Accountant & a Company Secretary with over 37 years of post-qualification experience in Indian automotive component industry.

Accordingly, the Board of Directors, at its meeting held on May 29, 2023, based on the recommendation of Nomination and Remuneration Committee and subject to approval of members, approved the re-appointment of Mr. Rajat Bhandari as a Whole time Director of the Company for a further period of 3 years i.e. from 2nd January, 2024 to 1st January, 2027, on the terms and conditions, including the remuneration payable to Mr. Bhandari, as contained in this explanatory statement.

Mr. Rajat Bhandari is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. A copy of notice is available for inspection by the members at the registered office of the Company. Mr. Rajat Bhandari has also confirmed that he is not debarred from holding the office of director by virtue of the SEBI Order in this regard and pursuant to circular dated 20/06/2018 issued by BSE Limited and the NSE pertaining to the enforcement of the SEBI orders regarding appointment of directors by the listed companies.

Pursuant to the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, member's approval is sought for the re-appointment of Mr. Rajat Bhandari (DIN: 02154950) as a Whole Time Director and remuneration payable to him.

General Information pursuant to the provision of Schedule V, SS-2 on general meetings issued by the ICSI and regulation 36(3) of SEBI LODR is as under is as under:

I. General information:

1. Nature of industry:

The Company is engaged in manufacturing of seat frames and trims at their plants at Gurgaon, Bengaluru and Gujarat.

2. Date or expected date of commencement of commercial production:

The Company is already in production for more than three years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable, the Company is an existing one.

4. Financial performance based on given indicators:

Financial performance of the Company in relation to various indicators during the period ended 31st March, 2023 is hereunder:
(Rs. in lakhs)

Particulars	2022-23	2021-22
Revenue from operations (Gross)	39278.46	23254.89
Net Profit after tax	2135.79	1079.62
Dividend	Rs. 5.00/- per Equity Share	Rs. 2.50/- per Equity Share

Foreign investments or collaborations, if any- NIL

II. Information about Mr. Rajat Bhandari, Whole Time Director:

1. Background details:

Mr. Rajat Bhandari is a Chartered Accountant & a Company Secretary with over 37 years of post-qualification experience in Indian automotive component industry. He has worked across various functions such as Finance, Secretarial, Purchase & Supply Chain in various companies of Escorts group, Federal Mogul Goetze India Limited and Bharat seats Limited.

2. Past remuneration:

(Rs. in lakhs)

Mr. Rajat Bhandari	Whole Time Director		
		Salary	44.63
		Allowances and Perquisites	29.88
		Contribution to P.F.	5.36
		Total	79.87

3. Recognition or awards: NIL

4. Job profile and his suitability:

His job profile comprises of handling internal financial controls, operating controls and compliance controls.

5. Remuneration proposed:

- Salary: Rs. 4,39,200 p.m. with a provision of annual increment of 10% per annum.
- Perquisites and Allowances: Upto a maximum of 50% of Salary. Additionally entitled to chauffeur driven company car along with reimbursement of car maintenance.
- Variable pay: 15% of Basic salary and perquisites

However, contribution to provident fund and leave encashment will not be accounted for the purpose of value of perks.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Considering the turnover of the Company and responsibilities of Mr. Rajat Bhandari, the remuneration being paid to the Whole Time Director is reasonable and in line with the remuneration levels in the industry across the country and befits his position.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Except for the remuneration as Whole Time Director, Mr. Rajat Bhandari has no other pecuniary relationship with the Company.

III. Other information:

1. Reasons of loss or inadequate profits

The Company is moving forward and is receiving new projects, the benefits of which will accrue in future years and remain uncertain.

2. Steps taken or proposed to be taken for improvement.

The Company has taken the following steps to improve the profitability:

- a) Cost reduction and productivity improvement.
- b) Upgrading the Seating frame and trim manufacturing facilities to International Standard.

3. Expected increase in productivity and profits in measurable terms

With the above measures, the operating efficiencies and profits of the Company are expected to increase.

IV. Disclosures

The following disclosures are/ shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', attached to the financial statement:

- (i) All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors;
- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) Service contracts, notice period, severance fees;
- (iv) Stock option details, if any, and whether the same has been issued at a discount.

Except Mr. Rajat Bhandari himself, none of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Rajat Bhandari as per provisions of section 190 of the Companies Act, 2013. The Board recommends this resolution as set forth in the Notice as Item No. 9 as Special Resolution.

Item No. 10 to 12:

The equity shares of your Company are listed on National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE) for the last three years. With a view to reward the shareholders, the Board of Directors, at its meeting held on 29th May, 2023, approved and recommended for consideration of Members the following:

- i. Issue of 1 (one) Bonus Equity Share for every 1 (one) fully paid-up Equity Share by capitalizing such sums out of the free reserves and other permitted reserves of the Company as available as per audited balance sheet of the company as at March 31, 2023.

The Issued, Subscribed and Paid-up Capital of the Company shall be increased to a sum not exceeding Rs. 11,89,26,520/- (Rupees Eleven Crore Eighty Nine Lakhs Twenty Six Thousand Five Hundred and Twenty) by capitalizing a sum not exceeding Rs. 5,94,63,260/- (Rupees Five Crore Ninety Four Lakhs Sixty Three Thousand Two Hundred and Sixty) from free reserves and other permitted reserves as per Audited Financial Results as on 31st March 2023 which are also placed before the shareholders for their adoption as per item no. 1 and also circulated with this notice. The same is proposed to be applied in paying up in full not exceeding 59,46,326 Equity Shares of Rs. 10/- each.

Article 38 of Articles of Association of the Company permits capitalization for the time being standing to the credit of any of the Company's free reserve account or to the credit of the profit and loss account, or any other reserve otherwise available for distribution.

The bonus shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the record date.

- ii. To accommodate further issue of shares on account of Bonus, it is necessary to increase the authorized share capital and alter the capital clause of the Memorandum of Association of the Company as mentioned in item number 10 & 11 of the Notice. Pursuant to provisions of Section 13, 61 and 63 of the Companies act, 2013, Articles of Association of the Company and any other applicable statutory and regulatory requirements, the members may by way of Ordinary Resolution approve increase in authorized share capital and issue of bonus shares (Item no. 10 and 12 of the Notice) and by way of Special Resolution (item no. 11 of the notice) approve alteration of 5th Clause i.e. Capital Clause of Memorandum of Association of the Company for the purpose of capitalization of free reserves.

A copy of the amended Memorandum of Association of the Company (MOA) is available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of Annual General Meeting at the website of the Company at www.ndrauto.com.

The record date for the aforesaid issue of bonus shares shall be fixed by the Board for this purpose.

Pursuant to proviso to Chapter XI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the bonus shall be

implemented within two months from the date of the meeting of Board of Directors wherein the decision to announce the bonus issue was taken subject to shareholders' approval.

Accordingly, the Company will take requisite steps for implementing the aforesaid corporate actions on or before 28th July, 2023. None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions, except to the extent of equity shares held by them in the Company and equity shares which may be allotted to them.

The Board of Directors recommends passing of the Ordinary Resolutions set out in item no. 10 and 12 and Special Resolution set out in item no. 11 in the Notice.

For **NDR AUTO COMPONENTS LIMITED**

Date : May 29, 2023
Place : New Delhi

Rajat Bhandari
Executive Director and Company Secretary
DIN: 02154950

Annexure A

INFORMATION REQUIRED TO BE FURNISHED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARD - 2 AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

As required under Listing Regulations and Secretarial Standard-2, the particulars of Directors who are proposed to be appointed / re-appointed, during the year under review are furnished below:

Name of Directors	Mr. Pranav Relan	Mr. Ayush Relan	Mr. Rajat Bhandari
Date of birth	09/06/1992	09/06/1992	16/02/1964
Nationality	Indian	Indian	Indian
DIN	07177944	07716326	02154950
Date of first appointment on the board of the Company	23 rd October, 2020	23 rd October, 2020	30 th November, 2020
Qualification	Graduate in Economics from Emory College of Arts and Sciences	Bachelor of Science in Business Administration with specialization in Entrepreneurship & Marketing	Chartered Accountant and Company Secretary
Experience including expertise in specific functional area	<p>Mr. Pranav Relan has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited.</p> <p>He has rich experience in Stock Market and managing internal financial controls, operating controls and compliance controls of company.</p> <p>He was a Wholetime Director of Relan Industries Finance Ltd. for a period of three years, from 21st July, 2015 to 20th July, 2018, a Company having membership of National Stock exchange of India and having membership of Future and Cash market segment.</p> <p>Mr. Pranav has also worked with Bharat Seats Limited as Asst. Chief Operating Officer and handled internal financial controls, operating controls and compliance controls.</p>	<p>Mr. Ayush Relan has wide experience in automobile industry and is presently involved in the day-to-day management, with focus on operational excellence, further improvements and growth of NDR Auto Components Limited.</p> <p>He specializes in business development and new projects.</p> <p>He has also worked as Asst. Chief Operating Officer with Bharat Seats Limited.</p>	<p>Mr. Rajat Bhandari has over 37 years of post-qualification experience in Indian automotive component industry. He has worked across various functions such as Finance, Secretarial, Purchase & Supply Chain in various companies of Escorts group, Federal Mogul Goetze India Limited and Bharat Seats Limited.</p>
Terms & conditions of appointment/re-appointment	As per the resolution at item no. 7 of the Notice convening Annual General meeting on 19-07-2023.	As per the resolution at item no. 3 and 8 of the Notice convening Annual General meeting on 19-07-2023.	As per the resolution at item no. 4 and 9 of the Notice convening Annual General meeting on 19-07-2023.
Remuneration last drawn, including sitting fees, if any	68.38 Lakh.	67.21 Lakh.	79.87 Lakh.

NDR AUTO COMPONENTS LIMITED

Remuneration proposed to be paid	As per the resolution at item no. 7 of the Notice convening Annual General Meeting	As per the resolution at item no. 8 of the Notice convening Annual General Meeting	As per the resolution at item no. 9 of the Notice convening Annual General Meeting
Relationship with other directors/ KMP	Mr. Rohit Relan is father, Mr. Rishabh Relan and Mr. Ayush Relan are brothers	Mr. Rohit Relan is father, Mr. Rishabh Relan and Mr. Pranav Relan are brothers	Nil
Number of meetings of the board attended during the year	4	4	4
Chairmanships / directorships held in other companies as on 31.03.2023	Toyota Boshoku Relan India Private Limited	- Toyo Sharda India Private Limited - Toyota Boshoku Relan India Private Limited	Toyo Sharda India Private Limited
Chairmanships / memberships of committees of other companies as on 31.03.2023	Nil	Nil	Nil
No. of shares held in the Company as on 31.03.2023	244868	244868	Nil
Confirmation pursuant to BSE circular dated 20.06.2018	Mr. Pranav Relan has confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority	Mr. Ayush Relan has confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority	Mr. Rajat Bhandari has confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

The Company is required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed Rs. 5,000/-. The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

A. RESIDENT SHAREHOLDERS:

A.1 Tax Deductible at Source for Resident Shareholders

S. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Valid PAN updated in the Company's Register of Members	10%	No document required (if no exemption is sought)
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in column no.4 of the below table with the Company / Beetal financial & Computers Services (Pvt.) Limited

S. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Submission of form 15G/15H	nil	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.

NDR AUTO COMPONENTS LIMITED

2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc	nil	Documentary evidence that the said provisions are not applicable.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	nil	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund NIL SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961	nil	SEBI registration certificate to claim benefit under section 197A(1F) of Income Tax Act, 1961
5	Recognised provident funds <ul style="list-style-type: none"> • Approved superannuation fund • Approved gratuity fund 	nil	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	nil	No TDS as per section 197A (1E) of Income Tax Act, 1961

NON-RESIDENT SHAREHOLDERS:

B.1 Withholding tax on dividend payment to non-resident shareholders if the non-resident shareholders submit and register following document as mentioned in column no. 4 of the below table with the Company/Beetal Financial & Computer Services (Pvt.) Limited.

S. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FPI registration number / certificate.
2	Other Non-resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: <ol style="list-style-type: none"> 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company)
3	Indian Branch of a Foreign Bank	Nil	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self- declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

- (i) Shareholders will be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- (ii) The aforesaid document such as Form 15G/15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be emailed at beetal@beetalfinancial.com on or before July 4, 2023 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received post July 4, 2023 shall not be considered.
- (iii) Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the cut off Date, and other documents available with the Company/ Beetal Financial & Computer Services (Pvt.) Limited

- (iv) In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
- (v) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
- (vi) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Date : May 29, 2023

Place : New Delhi

BOARD'S REPORT

Your directors take pleasure in presenting the 4th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2023.

STANDALONE FINANCIAL SUMMARY

Rupees in Lakhs

Particulars	2022-2023	2021-2022
Revenue from Operations	39,278.46	23254.89
Other Income	718.36	826.79
Profit before Financial Charges & Depreciation	3891.45	2220.24
Less: Finance Costs	178.68	72.53
Profit before Depreciation & Taxation	3712.77	2147.71
Less:		
A) Depreciation	867.63	733.05
B) Provision for Taxation		
- Current Tax	610.90	405.44
- Deferred Tax	98.45	(70.40)
Net Profit after Tax	2135.79	1079.62
Add: Other Comprehensive Income, Net of Taxes	5.44	22.55
Total Comprehensive Income for the year	2141.23	1102.17
Balance Carried Forward to Balance Sheet	2141.23	1102.17

The Company operates in the auto components industry and is engaged in production and manufacturing of seat frames and trims for four-wheeler and two-wheeler vehicles and other accessories relating to car seats. The Company's four manufacturing facilities of which two are located at Gurugram, one at Ramanagara District, near Bengaluru and a new manufacturing facility at Surendranagar, Gujarat for manufacturing of seat frames and trims which has started the commercial production in month of March, 2023.

FINANCIAL HIGHLIGHTS AND OPERATIONS

Standalone Performance

Your Company's revenue from operations and other income during the financial year under review was Rs. 39,996.82 Lakhs as compared to Rs. 24081.68 Lakhs in previous year and net Profit after Tax (PAT) was Rs. 2135.79 Lakhs as compared to Rs.1079.62 Lakhs in previous year on Standalone basis.

Consolidated Financial Statements

In accordance with Indian Accounting Standard (IND AS) - 110 on Consolidated Financial Statements read with Indian Accounting Standard (IND AS) - 28 on Investments in Associates and Joint Ventures, the audited consolidated financial statements are provided in the annual report.

A report containing the names of the companies which are subsidiaries, joint ventures and associates, their performance, financial position and their contribution to the overall performance of the Company as required by the Companies Act, 2013 ('the Act') are provided as an annexure (Form AOC-1) to the consolidated financial statements and hence are not repeated here for the purpose of brevity.

DIVIDEND

Your Directors are pleased to recommend for the approval of the shareholders at the ensuing Annual General Meeting, a dividend of 50% (Rs .5/-per equity share) amounting to Rs. 297.32 lakhs for the financial year ended 31.03.2023.

TRANSFER TO RESERVE

During the F.Y. 2022-23, the Company has not transferred any amount to General Reserves.

RECLASSIFICATION OF SOME OF THE PROMOTERS/ PROMOTER GROUP AS PUBLIC

Pursuant to Memorandum of Family Settlement, there was a change in the management and control of the Company. Some of the promoters, namely Mr. Ajay Relan, Ms. Sharda Relan, Ms. Mala Relan, Mr. Aashim Relan and Ms. Indira Chaudhary jointly with Ms. Alka Kakkar intended to get themselves reclassified from promoter group to general public category as these entities holds merely 0.89%

of total share and does not have any control over management/ hold any key managerial position in the Company.

On 1st November, 2022, the Company received request for reclassification from the said promoters. After taking the approval from the Board and Shareholders, the applications were filed with BSE and NSE for reclassification of the said promoters from promoter group to general public category. These applications are pending.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the financial year under review, no shares were transferred to IEPF.

CHANGE IN THE NATURE OF BUSINESS

During the financial year 2022-23 the Company has not changed the nature of its business.

MATERIAL CHANGES & COMMITMENTS

In pursuance to section 134(3)(l) of the Act, no material changes and commitments have occurred after the closure of the financial year to which the financial statements relate till the date of this report, affecting the financial position of the Company.

SHARE CAPITAL

There was no change in the capital structure of the Company during the financial year 2022-23.

MATERIAL ORDERS

Pursuant to Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014, no significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

During the year, there was no investment made, guarantee given or issued or securities provided by your Company in terms of section 186 of the Act read with the rules issued thereunder.

WEBSITE

As per provisions of the Regulation 46 of the SEBI (LODR), 2015 all necessary information as required to be given to the shareholders/ stakeholders, is available at www.ndrauto.com. Shareholders/ stakeholders are requested to refer to investor section.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188(1) of the Act and the Rules made thereunder were not applicable.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in the prescribed Form AOC-2 is annexed to the Board Report as Annexure-I.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's weblink at https://ndrauto.com/wp-content/uploads/2022/06/Policy-on-related-party-transaction_NACL.pdf

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

There is no subsidiary of the Company. However, the Company has one associate company i.e. Bharat Seats Limited and two joint venture companies i.e. Toyota Boshoku Relan India Private Limited and Toyo Sharda India Private Limited.

Information about the Financial Performance / Highlights of performance of the Associate/ Joint Ventures:

Bharat Seats Limited

Your Company owns 28.66% stake in Bharat Seats Ltd., which carries on the business of manufacturing of Car Seats Assemblies, Carpet Sets for Automobiles and Motorcycle seats. The Company posted a profit after tax of **Rs. 2154.64 Lakhs** during the financial year 2022-2023.

Toyo Sharda India Private Limited

Your Company owns 50% stake in Toyo Sharda India Pvt. Ltd., which carries on the business of manufacturing of Car Seat Lifter & Recliner. The Company posted a profit after tax of **Rs. 298.41 Lakhs** during the financial year 2022-2023.

Toyota Boshoku Relan India Private Limited

Your Company owns 50% stake in Toyota Boshoku Relan India Pvt. Ltd. which had no operations during the financial year 2022-2023 and incurred loss of **Rs. 0.77 Lakhs**.

Financial performances of the Associate and Joint Venture Companies are disclosed in the financial statements forming part of this annual report. A statement in form AOC-1, containing the salient features of the financial statements of the joint ventures/ associate companies is provided as Annexure II.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 is annexed hereto as Annexure-III, forming part of this Report.

BOARD ANNUAL EVALUATION

In compliance with the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, performance evaluation was carried out of the Board, its Committees and individual Directors, including the Chairman of the Board.

Nomination & Remuneration Committee reviewed the evaluation criteria for the Board, its Committees, Executive and non-executive Directors and Chairman of the Company, considering qualification, expertise, attributes and various parameters based on which evaluation of the Board has to be carried out by the Company.

A meeting of the independent directors was held, which reviewed the performance of the Board (as a whole), Committees of the Board, the non-independent directors and the Chairman.

The evaluation of Independent Directors was carried out by the Board.

This exercise was carried out through structured evaluation process covering various aspects of the Board such as composition of the Board/ Committees, experience, competencies, performance of specific duties etc. Separate exercise was carried out to evaluate the performance of individual directors, including Board's Chairman who were evaluated on the parameters such as attendance, contribution at the meeting, independent judgment etc. and was found to be satisfactory.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS

Your Company's Board comprises of an optimum blend of Executive and Non-Executive Directors. The Chairman of the Board is a Non-Executive Director. As on the date of this report, the Board of Directors consists of nine (9) Directors consisting of three (3) Whole-Time Directors and six (6) Non-executive Directors, out of which three (3) are Independent Women Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. All the Directors possess requisite qualifications and experience in general corporate management, strategy, finance, banking and other allied fields which enable them to contribute affectively to the Company in their capacity as Directors of the Company.

Retirement by Rotation

Mr. Ayush Relan (DIN: 07716326) and Mr. Rajat Bhandari (DIN: 02154950) are liable to retire by rotation. The Board recommends their re-appointment.

Further, all the Directors of the Company have given declaration that they are / were not debarred from being appointed / re-appointed or continuing as Director of the Company by the virtue of any order passed by the Ministry of Corporate Affairs or any such Statutory Authority. All the Independent Directors meet/ fulfill the criteria / conditions of Independence as prescribed under the Companies Act, 2013 and are Independent of the Management of the Company.

All the Non-Executive Directors have extensive business experience and are considered by the Board to be independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment and had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them, if any for the purpose of attending meetings of the Board and/ or its Committees.

KEY MANAGERIAL PERSONNEL (KMP)

During the period under review, there were no changes in KMP.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of section 149 (6) of the Act and Regulation 16(1) (b) of the listing regulations, all Independent Directors of the Company have given declaration that they meet the criteria of independence and also registered under Independent Directors Database of Indian Institute of Corporate Affairs.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of the Corporate Governance and adhere to the Corporate Governance requirements as set out by the Regulators/ applicable laws.

The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 been included in this Annual Report as a separate section, along with the certificate of Mr. R S Bhatia, Company Secretary in Practice.

DETAILS OF DEPOSIT AS PROVIDED UNDER CHAPTER V OF THE COMPANIES ACT, 2013

Your Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year under review.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company 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. The Audit Committee evaluates the internal financial control system periodically.

MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the financial year. For further details, please refer to the Report on Corporate Governance given separately in the Annual Report.

COMMITTEES OF THE BOARD:**a) AUDIT COMMITTEE**

The Audit Committee comprises of four Non- executive Directors, the committee is specified below:

Sr. No.	Name of Member	Designation	Remarks
1.	Ms. Shyamla Khera	Chairperson	Independent Director
2.	Mr. Rohit Relan	Member	Non-Executive Director – Promoter
3.	Ms. Vanita Chhabra	Member	Independent Director
4.	Ms. Deepa Gopalan Wadhwa	Member	Independent Director

Further, details on the Committee reference, meetings held are given in the Corporate Governance Report. Powers and Role of the Audit Committee are included in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

b) Stakeholders Relationship Committee

The constitution of the Stakeholders Relationship committee is as under:

Sr. No.	Name of Member	Designation	Remarks
1.	Mr. Sanjiv Kapur	Chairperson	Non-Executive Director
2.	Ms. Shyamla Khera	Member	Independent Director
3.	Mr. Rishabh Relan	Member	Non- Executive Director
4.	Ms. Deepa Gopalan Wadhwa	Member	Independent Director

Further, details on the Committee reference, meetings held are given in the Corporate Governance Report.

c) Nomination and Remuneration Committee

The constitution of the Nomination and Remuneration Committee is as under:

Sr. No.	Name of Member	Designation	Remarks
1.	Ms. Shyamla Khera	Chairperson	Independent Director
2.	Mr. Sanjiv Kapur	Member	Non-Executive Director
3.	Ms. Vanita Chhabra	Member	Independent Director

Further, details on the Committee reference, meetings held are given in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015 is presented in a separate section, forming part of the Annual Report and annexed as Annexure VII.

AUDIT AND AUDITORS**Statutory Auditors**

M/s S S Kothari Mehta & Co, Chartered Accountants (Firm Registration No. 000756N) were appointed as Statutory auditors of the Company at AGM held on 29th December, 2020 for a consecutive term of five years i.e. from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of 6th AGM.

Auditors' Report

The Auditors' Report given by M/s S S Kothari Mehta & Co, Statutory Auditors on the Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2023 is part of the Annual Report. The Auditors' Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditor's had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Secretarial Auditor

In accordance with the provisions of the Section 204 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit was carried out by Mr. R. S. Bhatia, Company Secretary in Practice for the Financial year: 2022-23. The report of Secretarial Auditor for the financial year 2022-23 is annexed herewith marked as Annexure VI to this Report. The report does not contain any qualification, reservation or adverse remark.

Pursuant Regulation 24A of SEBI (LODR) Regulations, 2015, the Company has obtained annual secretarial compliance report from Mr. R S Bhatia (C P No. 2514), Company Secretary in Practice and the same has been submitted to stock exchanges within the prescribed time limits.

Cost Audit

The Company is not required to maintain the cost records as specified by the Central Government under Section 148 (1) of the Act.

ANNUAL RETURN

Pursuant to Sec 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return can be accessed at Company's weblink at https://ndrauto.com/wp-content/uploads/2023/06/Form_MGT_7-NACL-2022-23-for-website.pdf

CORPORATE SOCIAL RESPONSIBILITY

The Company believes in giving back to society and we have taken steps for that. Alongside our business priorities, the Company is committed to society as well and this is apparent through our CSR activities.

During the financial year 2022-23, the Company has contributed an amount of ₹15 lakhs towards CSR, which is 2% of its average net profits for preceding two financial years. There is no amount which is lying unspent in respect of the financial year under review.

The relevant disclosure as prescribed under Companies (Corporate Social Responsibility Policy) Rule, 2014, in this regard, is annexed as Annexure IV.

The CSR Policy is uploaded on the Company's website at the web link: <https://ndrauto.com/wp-content/uploads/2021/06/CSR-Policy-Final2021.pdf>

PARTICULARS OF EMPLOYEES

Disclosure as required under Sub Rule 2 of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure V.

The ratio of the remuneration of each Director to the median employees' remuneration and other details in terms of Sub Section 12 of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as part of the report as Annexure V.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Nomination and Remuneration Policy of the Company for Directors, KMPs and other employees including criteria for determining qualification, positive attributes, independence of a Director, remuneration and other matters provided under sub-section (3) of section 178, is available on the Company's weblink at the <https://ndrauto.com/wp-content/uploads/2020/10/NRC-Policy.pdf>

VIGIL MECHANISM

The Company has in place an established Whistle Blower Policy. The Audit Committee and the Board periodically reviews the policy and its implementation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees.

The Whistle Blower Policy may be accessed at the Company's weblink at <https://ndrauto.com/wp-content/uploads/2020/10/Whistle-blower-policy.pdf>

HUMAN RESOURCES

Our relations with the employees are very cordial. Your directors would like to place on record their appreciation of the commitment and efficient services rendered by all employees of the Company, without whose whole hearted efforts, the overall satisfactory performance of the Company would not have been possible.

RISK ASSESSMENT AND RISK MINIMIZATION PROCEDURE

In line with the regulatory requirements, the Company has formally framed a Risk Management policy to identify and assess the key risk areas and monitor the same. The Board periodically reviews the risks and suggests steps to be taken to control the risks.

Details on the Company's risk management framework, risk evaluation, risk identification etc. are provided in the Management Discussion and Analysis Report forming part of this report.

ENVIRONMENT

The Company strictly adheres to the provisions of environmental laws. There is no trade effluent generated by the Company which may cause pollution. Our Company is an IATF 16949:2016 certified Company.

LISTING

The Company is listed on BSE Limited and National Stock Exchange of India Ltd. and the listing fees has been duly paid for the year.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted a policy for prevention of Sexual Harassment of Women at workplace and also set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any women employee. During the financial year 2022-23 Company has not received any Complaints.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with 134(5) of the Companies Act, 2013, it is hereby stated that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed;
- b. Appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that date;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis;
- e. Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SHARES

a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

You will be delighted to know that the Board of Directors in its meeting held on May 29, 2023 subject to the shareholders' approval has recommended the issue of Bonus shares in the ratio of 1:1 i.e. one new equity share, for every one equity share held by the members on the record date as may be fixed by the Board.

d. Issue of Shares with differential voting rights

The Company has not issued any shares with differential rights during the year under review.

e. Issue of Shares under Employee Stock Option Scheme

No such issue of shares under employee stock option scheme was made.

f. Issue of shares through private placement – Nil

g. Issue of Shares without differential voting rights – Nil

ACKNOWLEDGMENT

Your Company has been able to operate efficiently because of its professionalism, creativity, integrity and continuous improvement in all functional areas to ensure efficient utilization of the Company's resources for sustainable and profitable growth. The Directors acknowledge their deep appreciation to employees at all levels for their total dedication, hard work, commitment and collective teamwork, which has enabled the Company to remain at the forefront of the industry despite increased competition and challenges.

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from its customers, your Directors also extend their appreciation to Bankers and various departments of Central and State Government(s).

Your Directors would also like to thank all the shareholders for their continued support and co-operation.

**On behalf of the Board of Directors
For NDR Auto Components Limited**

Date : May 29, 2023

Place : New Delhi

Rohit Relan
Co-Chairman & Director
DIN: 00257572

Pranav Relan
Whole Time Director
DIN: 07177944

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

Details of contracts or arrangements or transactions not at arm's length basis: -NONE-

Sl. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the resolution was passed in general meeting as required under first proviso to section 188
NONE								

Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the ordinary resolution was passed in general meeting as required under first proviso to section 188
1.	Bharat Seats Limited	Associate Company	Sale of products, goods, materials, assets or services or services including reimbursement of expenses	Transaction of repetitive nature	Upto a maximum of Rs. 350 Crores per annum	10/05/2022	Nil	30/06/2022
2.	Bharat Seats Limited	Associate Company	Purchase of goods, tools or any asset	Transaction of repetitive nature	Upto a maximum of Rs. 50 crores per annum	10/05/2022	Nil	30/06/2022
3.	Toyo India Private Limited	Joint Venture	Sale Purchase or supply of Goods and material	Transaction of repetitive nature	Upto a maximum of Rs.100 crores per annum	10/05/2022	Nil	30/06/2022

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

SI No.	
Name of the Subsidiary	Nil
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Nil
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Nil
Share capital	Nil
Reserves & surplus	Nil
Total assets	Nil
Total Liabilities	Nil
Investments	Nil
Turnover	Nil
Profit before taxation	Nil
Provision for taxation	Nil
Profit after taxation	Nil
Proposed Dividend	Nil
% of shareholding	Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Currency: Rs. in Lakhs except otherwise specified)

Name of associates/Joint Ventures	Bharat Seats Limited	Toyota Boshoku Relan India Private Limited	Toyo Sharda India Private Limited
1. Latest audited Balance Sheet Date	31 st March, 2023	31 st March, 2023	31 st March, 2023
2. Date on which the Associate and Joint Venture was associated or acquired	17 th October 1988	21 st March, 2014	28 th January, 2015
3. Shares of Associate/Joint Ventures held by the Company on the year end			
a) No. (in no.)	90,00,000	5,000	7,50,000
b) Amount of Investment in Associates/ Joint Venture	90.00	0.50	75.00
c) Extend of Holding (in percentage)	28.66%	50.00%	50.00%
4. Description of how there is significant influence	Shareholding	Shareholding	Shareholding
5. Reason why the associate / joint venture is not consolidated	N.A.	N.A.	N.A.
6. Net -worth attributable to shareholding as per latest audited Balance Sheet	4193.98	(10.82)	777.98
7. Profit/Loss for the year			
i. Considered in Consolidation	612.73	(0.39)	149.21
ii. Not Considered in Consolidation	1541.91	(0.39)	149.21

Notes

1. There are no associates or joint ventures which are yet to commence operations.
2. None of the associates or joint ventures have been liquidated or sold during the year.

On behalf of the Board of Directors
For NDR Auto Components Limited

Rohit Relan
Co-Chairman & Director
DIN: 00257572

Pranav Relan
Wholetime Director
DIN: 07177944

Date : 29th May, 2023
Place : **New Delhi**

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director and Company Secretary

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures to be made under sub-section (3) (m) of Section 134 of the Companies Act 2013 read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

A. CONSERVATION OF ENERGY:**(i) The steps taken for conservation of energy or impact on conservation of energy.****Pathredi Plant**

- Used the inverter base INVA MIG 400 machines instead of using old MIG Mogra 400TS in the project YXA & XF3T1
- Electrical energy saving 29,976 kwh / Year.

Bangaluru Plant

- Energy saving activity at cooling tower by modifying the pipeline and removing motor.
- Electrical energy saving 10,920 kwh / Year.

(ii) The steps taken by the Company for utilizing alternate sources of energy:**Pathredi Plant**

Installed new solar power plant of capacity 87.36 KWP (Power generation from Dec'22)

Energy saving 22,604 KWH

(iii) The capital investment on energy conservation equipment:

INR 45,02,421/-

B. TECHNOLOGY ABSORPTION**I. RESEARCH AND DEVELOPMENT(R&D)**

The backbone of any business house irrespective of the segment is its R&D, which should be equipped with well trained and experienced human resources, machinery & infrastructure. Your Company knows that to be FUTURE READY, the R&D will have to be strong, ready and adaptable to the requirements of the future. To make this possible NACL has the "State of the Art", equipment and infrastructure.

Your Company is currently working on two main areas of the seat: i.e. Metal which provides the strength & robustness and the other an aesthetic component the seat cover or in the automotive parlance trim cover.

The focus of the R&D is on products with advanced technologies and processes, conceiving the product and readying it to be commercialised- The Ministry of surface transport, Govt of India took bold step in matching safety norms of vehicle with that of developed worlds which mandates seats of passenger cars (M1 category) to meet crash norms as promulgated through regulatory norms. This has impacted on higher level of content in seat frame like use of high strength steel, 590 MPa / 980 MPa for seat superstructure, use of seat mechanism with higher strength and precision, so seat is robust enough to sustain vehicle crash. In addition, the use of side air bag has become mandatory, as also Incorporation of child safety features like ISO-FIX.

Your Company's R&D team is working on the following different product portfolios.

Metals –

- Passenger car seat frames
- Passenger car B-I-W parts
- 2- Wheeler segment

Trims

- Passenger car segment
- 2- Wheeler segment

Your Company's main customer at present, are – Bharat Seats Limited and Toyota Boshoku Automotive India Pvt. Ltd.

Your Company's has both robotic as well as manual welding. All passenger car seat parts are welded using Robotic welding cell on account of high-volume production. While two-wheeler parts being price sensitive are manually welded. There is however no compromise on safety.

This warrants knowledge of robot, robot programming, welding cell design strategy and many other technologies for which we have the requisite trained manpower.

Body in white (BIW) parts like B-pillar assembly, body cross member are stamped and are MIG welded by robotic welding.

Trim –

Your Company's R&D for Trim is well equipped to handle all types of fabrics and vinyl that is used in automotives like circular knit, cross knit, vinyl, imitation leather, etc.

R&D recently got patent (Patent no 416842) for replaceable trim design for Railway seat that was designed at the instance of Railway coach factory in Chennai.

Production set-up consists of Gerber make vacuum cutting machine and Juki machines for stitching.

Team is supported by in-house testing rigs which consists of– fabric elongation, fabric tensile, fabric flammability, abrasion, GSM, colour fastness, Tear strength, etc.

New model development: Your Company works collaboratively with the customer and has been successfully implementing the new model demands in time and quality.

Your R&D is working on more than 6 mid-cycle-actions (small changes) and 2 full models change in passenger car frame and trim business.

Seat Trims – Same as Car frame – 2 Full models change & 3 minor

- a. Enhancing Design Capabilities – Change is constant and with fast changing environment & changes in technology, Your Company is well equipped to handle the continuous changes that will be introduced in the future as well.

Seat Frame - Your R&D is equipped with process knowledge of tube bending, Press forming, welding, integration of recliner with frame, wire frame welding, etc for seat frame business where Bharat Seats is the customer.

Various softwares used to facilitate the design & development are Catia V5 by Dassault, Unigraphics, Solid works, Auto Cad for 3-dimensional modelling and drafting.

While FTI software is used for sheet metal nesting for improving the yield.

LS Dyna and Hypermesh are used for formability analysis in case of complex shape.

Seat Trims – Team is now well trained to handle complexities in trim design and various other add-ons in trim like fasteners, zipper, air bag support fabric that goes in seat to control the explosion pattern.

Air bag chute stitching which is MARU-AR, critical to design and regulation, is now done inhouse by special machines.

- b. Benefits derived as a result of above -

Inhouse capability development ahead of Technology launch has not only increased the End Customer confidence i.e. Maruti Suzuki in Bharat Seats as well as NACL helping win more programs. Which has resulted in launch of 3 new plants of NACL.

This has also increased product quality, throughput to great extent.

- c. R&D Future Plans-

Metal Team – Readying skill to design and develop high strength steel of 590 MPa/ 980 MPa with all other implied processes like formability analysis, nesting, Yield improvement, etc.

Trim Team- team is now planning to develop skill sets in design and development of Trim from 3D cad model of PU foam.

Process optimisation to increase yield is another initiative taken by Trim designing team besides creating design standards for your Company.

R&D Expenditure:

Requirement of customers besides internal initiatives as stated which has resulted in capital & other expenditures as follows:

Capital Rs. 28.02 lacs

Recurring NIL

Total Rs. 28.02 lacs

Total R&D expenditure as a percentage of total turnover: 0.07%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual in-flows during the year and the foreign exchange out go during the year in terms of actual outflows.

Foreign exchange outflow on account of import of capital goods and raw materials amounted to Rs. 702.93 Lakhs. (Rs. 638.52 Lakhs). (Figures in bracket pertain to last year)

Annual Report on CSR Activities undertaken by the Company in 2022-23

1. Brief outline on CSR Policy of the Company

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013.

2. Composition of CSR Committee as on 31st March, 2023: Not Applicable

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

<https://ndrauto.com/wp-content/uploads/2021/06/CSR-Policy-Final2021.pdf>

4. Details of Impact assessment of CSR projects carried out in of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable as the average CSR obligations in the three immediately preceding financial years was less than Rs.10 crores.

5. Details of the amount available for set off in pursuance of sub-rule (3) and rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Nil.

6. Average net profit of the Company as per Section 135(5)

Rs. 715.76 lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5)

Rs. 14.32 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c)

Rs. 14.32 lakhs

8 (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs./Lakhs)	Amount Unspent (in Rs./Mn)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to Section 135(5)		
15	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project	Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation – Direct (Yes / No.)	Mode of Implementation Through Implementing Agency	
										Name	CSR Regn. No

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8	
Sr.no.	Name of the project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project	Amount spent for the project (in lakhs)	Mode of Implementation Direct (Yes / No)	Mode of Implementation Through Implementing Agency	
							Name	CSR Regn. No

1	Education	Education	Yes	Lucknow, Uttar Pradesh	10	No	Perna Girls School initiative of Study Hall Education Foundation (SHEF)	CSR00004810
2	Healthcare	Healthcare	Yes	New Delhi	5	No	Rotary Southend Charitable Trust	CSR00024288

Amount spent in Administrative Overheads: Nil

- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year : Rs. 15 lakhs (8b+8c+8d+8e)
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs./Lakhs)
i	Two percent of average net profit of the Company as per section 135(5)	14.32
ii	Total amount spent for the Financial Year	15
iii	Excess amount spent for the financial year (ii)-(i)	0.68
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	-
v	Amount available for set off in succeeding financial years ((iii)-(iv))	0.68

- 9. (a) Details of Unspent CSR amount for the preceding three financial years : NIL

1	2	3	4	5	6	7	8	9
Sr. no.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed/ Ongoing

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL
- 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):
 - (a) Date of creation or acquisition of the capital asset(s): NIL
 - (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NIL
 - (d) Provide details of the capital asset(s) created or acquired: NIL (including complete address and location of the capital asset).
- 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): NOT APPLICABLE

ROHIT RELAN
Co-Chairman & Director

Disclosure as required under Sub-Rules 2 of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employed for full financial year

Name	Designation	Remuneration Received (Rs. In Lakhs)	Qualification & Experience	Date of Commencement of Employment	Age as on 31.03.22	Last Employment Held	The % of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
Pranav Relan	WholeTime Director	68.38	Graduate / 8 YRS	27.10.2020	31	Bharat Seats Ltd.	4.12	Yes, Son of Mr. Rohit Relan and Brother of Mr. Rishabh Relan and Mr. Ayush Relan
Rajat Bhandari	Executive Director and Company Secretary	79.87	CA and CS/ 37 YRS	02.01.2021	59	Bharat Seats Ltd.	Nil	No
Ayush Relan	WholeTime Director	67.21	Graduate/ 8YRS	02.01.2021	31	Bharat Seats Ltd.	4.12	Yes, Son of Mr. Rohit Relan and Brother of Mr. Rishabh Relan and Mr. Pranav Relan
Vinod Kumar	Chief Financial Officer	30.48	CA/20 YRS	27.10.2020	44	Bharat Seats Ltd.	Nil	No
Sanjay Kumar	Operations	34.22	Diploma Mech. and MBA/ 31 Years	20-08-2021	54	M/s SFC Solutions (M/s Cooper Standard India Pvt. Ltd.)	Nil	No
Sandeep Choudhary	DGM	29.44	B.COM (H) and CA / 15	13-08-2021	38	JTEKT India Limited	Nil	No
Pankaj Thakur	AGM	22.56	Graduate / 21 Years	01-02-2021	51	Bharat Seats Limited	Nil	No
Imran Ahmed	Manager	14.39	B.E (Electrical & Electronics) / 15 Years	08-02-2021	40	Sunchirin Auto Parts India Pvt. Limited	Nil	No

Employed for part of the year:

Shivakumar Ganiga Basavarajappa	DGM	25.44	B. TECH(MECH.)/ 26	19-04-2021 to 11-01-2023	48	Adient India Pvt. Limited	Nil	No
Deveerappa SN	Senior Manager	11.72	B.A, PGDHRM and LLB / 16 Years	20-06-2022	41	Geba Cable and Wires India Pvt. Limited	Nil	No

NOTES:

1. Remuneration includes perquisites and company's contribution to provident fund
2. The nature of employment of whole time director is contractual. For the rest of employees, it is other than contractual.
3. None of the employees of the Company holds more than 2% of Equity Shares of the Company as on 31st March, 2023 and as per Rule 5 (3) (8) of the Companies (Appointment & Remuneration) Rules, 2014.

THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION AND OTHERS DETAIL IN TERMS OF SUB SECTION 12 OF SECTION 197 OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S no.	Particulars	Ratio to the Median Remuneration (times)
i.	Mr. Pranav Relan, Wholetime Director	22
ii.	Mr. Ayush Relan, Wholetime Director	22
iii.	Mr. Rajat Bhandari, Executive Director and Company Secretary	27

2. The percentage increase/ (decrease) in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

S no.	Particulars	Percentage increase
i.	Mr. Pranav Relan, Wholetime Director	10%
ii.	Mr. Ayush Relan, Wholetime Director	10%
iii.	Mr. Rajat Bhandari, Executive Director and Company Secretary	10%
iv.	Mr. Vinod Kumar	14%

3. The percentage increase in the median remuneration of employees in the financial year is 12%

4. Total number of permanent employees on the rolls of company as on March 31, 2023 is 148

5. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	Non-Managerial	Managerial
Percentage average increase in salaries during 2022-23	6.82%	8.46%

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
NDR Auto Components Limited,
Regd. office: Level-5, Regus Caddie Commercial Tower,
Hospitality District Aerocity, IGI Airport, New Delhi 110037
CIN: L29304DL2019PLC347460

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NDR Auto Components Limited (CIN No. L29304DL2019PLC347460)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings. Neither there was any transaction of Direct Investment, External Commercial Borrowings nor any transaction of Overseas Direct Investment which was required to be reported during the financial year under review.
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) *The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 (herein after referred as SEBI LODR);
 - j) Securities and Exchange Board of India (Depository and Participants) Regulations, 2015.
 - k) Laws specifically applicable to the industry to which the Company belongs, as identified by the management:

The Company is primarily engaged in manufacturing of car seat Structure and seat covers. As explained by the management no sector specific law is applicable on the Company.

* No event took place under these regulations during the audit period.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the financial year ended March 31, 2023 complied with the aforesaid laws except as stated elsewhere in this report.

Based on the information received and records made available I further report that;

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and Women Director. There was no change in the composition of the Board of Directors during the financial year under review.
- ii. Adequate notice(s) were given to all directors regarding holdings of Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance to all Directors. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- iii. All the decisions at the Board Meetings and Committee meetings were carried through with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. The dissenting members' views, if any, were captured and recorded as part of the minutes.
- iv. As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.
- v. There are adequate systems & processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations & guidelines.

I have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. I believe that the Audit evidence which I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Except elsewhere mentioned in this report, in my opinion and to the best of my information and according to explanations given to me, I believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company.

- vi. I further report that during the audit period except as stated below there were no major events/ actions have taken place having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards etc., except that:

The Company was advised by BSE on July 25, 2022 and NSE on July 27, 2022, that since few of the promoters seeking reclassification (Mr. Ajay Relan, Ms. Sharda Relan, Ms. Mala Relan, Mr. Aashim Relan and Ms. Indira Chaudhary Jt. Ms. Alka Kakkar) along with persons relating to them hold more than 1% of the total equity, for the application filed by the Company, would have to seek shareholders' approval as required u/r 31A(3)(a)(ii) and 31A(3)(a)(iii) of SEBI (LODR) Regulations, 2015 and advised the Company to submit fresh application with Stock Exchanges after obtaining Shareholders' approval as per regulation 31A(3)(a)(ii) and 31A(3)(a)(iii) of SEBI LODR Regulations, 2015.

Further to this the Company on 1st November, 2022, received fresh request for reclassification from the above promoters and after taking the approval from the shareholders through postal ballot notice dated 9th November, 2022 result of which was declared on 16th December, 2022. Fresh application was again filed with BSE and NSE for reclassification of the said promoters from promoter group to general public category on 17th December, 2022 to BSE and 21st December, 2022 to NSE.

These applications are pending for approval from Stock Exchanges.

The shareholders of the company at their last Annual General Meeting held on 30th June 2022 have approved:

- i) Related Party Transactions with Bharat Seats Limited and
- ii) Related Party Transactions with Toyo Sharda India Private Limited.

Date : 16/05/2023
Place : NEW DELHI

R. S. Bhatia
Company Secretary in Practice
CP No: 2514
P/R No. 1496/2021
UDIN No: F002599E000312997

Note: This report is to be read with letter of each date by the Secretarial Auditor, which is annexed as Annexure-A to this report and forms an integral part of this report.

To

The Members,
NDR Auto Components Limited,
Level-5, Regus Caddie Commercial Tower,
Hospitality District Aerocity, IGI Airport,
New Delhi 110037
CIN No: L29304DL2019PLC347460

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of SEBI laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. As regards the books, papers, forms, reports and returns filed by the Company under these regulations, the adherence and compliance to the requirements of the said regulations is the responsibility of management. My examination was limited to checking the execution and timelines of the filing of various forms, reports, returns and documents that need to be filed by the Company under the said regulations. I have verified the correctness and coverage of the contents of such forms, returns and documents.

Date : 16/05/2023
Place : NEW DELHI

R. S. Bhatia
Company Secretary in Practice
CP No: 2514
P/R No. 1496/2021
UDIN No: F002599E000312997

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS**OUTLOOK**

The global economy is under pressure from multiple complex and interconnected crisis and challenges which include inflation, climate change, the war in Europe, supply chain disruptions and COVID-19 pandemic to name a few. Indian economy continues to show resilience amid challenging global environment. The overall growth remains robust. Growth was underpinned by strong investment activity bolstered by the Government's capex push and buoyant private consumption. Inflation remained high but the current account deficit narrowed on the back of strong growth in service exports and easing global commodity prices.

But the growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing cost and slower income growth will weigh on private consumption growth. Further, Government consumption is projected to grow at a slower pace due to withdrawal of pandemic related fiscal support measures. Spillovers from recent developments in financial markets in the US and Europe pose a risk to short term investment flows to emerging markets, including India. But Indian Banks remain well capitalized.

The Indian automotive sector is a vital growth driver of the Indian economy, with valuable contribution to GDP and creating jobs for millions. The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. Major four wheeler companies recorded highest growth in annual sales in 2022.

The Government's initiative by introducing battery-swapping policy, expansion of Indian National Highways and adding advanced technologies including alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex-fuel engines, electronic control units (ECU) for safety, advanced driver assist systems and e-quadricycles, under the Production-linked incentives (PLI) scheme for automobiles has attracted new investment has further provided boost to the industry.

India is also a prominent auto exporter and has strong export growth expectations for the near future. Passenger vehicle exports from India rose 15%, with Maruti Suzuki India Limited (MSIL), country's largest carmaker leading the exports in last fiscal, despite struggling with shortage of electronic components.

Factors such as growing demand for low emission commuting and Government supporting long range zero emission vehicles through subsidies and tax rebates have compelled the manufacturers to provide the electric vehicles around the world. This has led to a growing demand for electric vehicles in the market. Countries around the world have set up targets for emission reductions according to their own capacity. Increasing investments by the Government across the globe to develop EV charging stations and hydrogen fueling stations along with incentives offered to the buyers will create opportunities for the OEMs to expand their revenue stream and geographical presence. India is the world's third-largest EV market. This competitive market is set to transform the Indian automotive sector in 2023. The best aspect is that, in addition to decreasing pollution and aid in the fight against climate change, EVs can reduce oil imports. However, a smaller number of EV charging stations and hydrogen fueling stations, higher cost involved in initial investments and performance constraints could hamper the growth of global electric vehicle market.

INDUSTRY STRUCTURE AND DEVELOPMENT

In the past four decades, the automobile industry emerged as a shining light to catalyze India's Gross Domestic Product (GDP) and the economy as a whole. Automobile industry looks to sustain growth momentum in 2023 embracing clean technology amid the lurking speed breakers of rising interest rates and cost increases due to new emission and safety norms. The industry anticipates a good year with rising vehicle prices and increased EV adoption which has already started taking root in 2022.

Besides, rising interest rates and not so bright global economic situation and its impact on India in the days to come are some of the factors which are keeping the industry in a cautious mode.

The OEMs (original equipment manufacturers) need to continue with the creation of excitement through new launches, product upgrades etc. The capex outlay for OEMs is estimated to remain heightened with the OEMs budgeting for a substantial outlay towards new product development, including development of capabilities/platforms for electric vehicles.

Automobile sector is one of the key sector which attracted maximum FDI in 2022, wherein FDI is allowed under automatic route. India is the preferred investment destination due to a series of measures such as liberalisation in the FDI policy, steps to further promote ease of doing business, reducing the compliance burden for industry, the rollout of the PLI schemes among others.

OPPORTUNITIES AND THREATS

Projected sales for the upcoming 12-month period look set to return to pre-pandemic levels with once again EVs and hybrids provide a highlight.

Auto components industry expected to grow in double-digits in 2023 on back of demand from both local and overseas markets despite fears of recession in major markets of US and Europe.

There is need for sustainable development of the industry, considering the challenges on the front of energy security, concern for the

NDR AUTO COMPONENTS LIMITED

environment and reducing carbon footprint. With India declaring to achieve carbon neutrality 2070, the Automotive sector, together with all other verticals of the industry will have to work in unison towards the realization of this national goal.

SEGMENT WISE/ PRODUCT WISE PERFORMANCE

The Company is currently operating primarily under single business segment manufacturing seat frames and seat trims for passenger Cars as well as Utility Vehicles.

RISK AND CONCERNS

The Company is exposed to external and internal risks associated with the business.

BUSINESS RISK

The operations of the Company are directly dependent on the growth of the Indian automotive industry.

The worldwide supply chain continues to be affected by challenges related to COVID-19 pandemic, shortage of semi-conductors and volatility in energy prices. Organization needs to reimagine and manage its supply chain differently to ensure business continuity and growth.

FINANCIAL RISK

The Company is exposed to the risks associated with fluctuations in the price of various inputs including raw material supplies and under-utilized capacity.

Both the operational and financial risks are constantly assessed, and adequate steps are taken from time to time to mitigate them successfully.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure that transactions are properly authorized, recorded, and reported, apart from safeguarding its assets. The internal control system is supplemented by well-documented policies, guidelines and procedures and reviews carried out by the Company's internal audit function, which submits reports periodically to the Management and the Audit Committee of the Board.

Your Company has a favorable work environment that motivates performance, customer focus and innovation while adhering to the highest degree of quality and integrity.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied with all the provisions of the accounting standards in accordance with Section 133 of the Companies Act, 2013.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Your Company believes that employees are key for our success, have immense knowledge and power of innovation. Your Company aims to create an environment where every employee can contribute to the company's performance, excel and grow in their respective jobs. Our focus is to recruit employees with right skills and talent, raise competency through training and development, recognize and reward leadership and performance. Several measures are implemented to retain the talent within the organization. At each location, the work force goes through a mandatory training plan including the vision, mission and company values which forms a base for treating everybody with dignity and respect. To further strengthen and motivate our employees, several initiatives are taken on a continuous basis to foster teamwork, trust and communication across the organization. Employees are encouraged to have a passion for excellence and focus on the customer with a performance goal of doing things right first time and every time. Your Company provides challenging and fulfilling opportunities to maximize employee potential so that every employee excels and grows along with Company's growth.

Your Company ensures quality at our suppliers and service providers by horizontal deployment of learnings and training at our supplier partners.

In addition to timely delivery and quality, your Company's utmost focus is on safety of its workforce. As we continue to face the COVID-19 pandemic, our commitment towards safeguarding the health of our people, and efforts to ensure safety at our workplaces has been in greater focus.

Health, Safety and Environment remains our top priority. Periodic audits are carried out both internally as well as through external agencies to identify gaps and to define action items for continuous improvement, ensuring a safe workplace for employees. Total number of permanent employees on the rolls of Company as on 31st March 2023 is 148.

FINANCIAL PERFORMANCE

The financial statements of the Company in accordance with the requirements of applicable corporate laws of India. The management of your Company accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein.

NDR AUTO COMPONENTS LIMITED

The details of the financial performance of the company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this Annual report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Board's Report.

KEY FINANCIAL RATIOS

Changes in key financial ratios are as under:

Sr. No.	Ratios	Unit	2022-2023	2021-2022	% change	Reason
1	Debtors Turnover	Days	28.61	48.34	-40.83%	-
2	Inventory Turnover	Days	28.16	26.41	6.63%	-
3	Interest Coverage Ratio*	Times	18.02	30.61	-41.13	-
4	Current Ratio	Times	1.39	2.67	-47.94%	-
5	Debt Equity Ratio	Times	0.20	0.09	122.22%	-
6	Operating Profit Margin**	%	7.70%	6.40%	20.31%	-
7	Net Profit Margin	%	5.34%	4.48%	19.20%	-
8	Return on Net worth	%	12.57%	7.20%	74.58%	-

*Earnings before interest, depreciation, tax and amortization (EBIDTA) have been considered for coverage ratio.

**Operating profit is earning before interest and tax (EBIT)

DISCLAIMER

Statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

CORPORATE GOVERNANCE REPORT

(FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2023)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Governance is reflection of the culture and values of a company's board and management. Good governance in a company enhances the confidence, trust and enthusiasm of its stakeholders. For ensuring sound corporate governance practices, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, Securities and Exchange Board of India (SEBI) Regulations, Accounting Standards, Secretarial Standards, etc. Today's market-oriented economy and globalization drive the demand for a high quality of governance practices.

Good governance practices are a norm at NDR Auto Components Limited. The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the management with the strategic direction catering to exigency of long-term shareholders value.

2. BOARD OF DIRECTORS

(a) Composition of the Board

As on 31st March, 2023, the Board of Directors comprised of nine Directors with Non-executive Director as Chairman.

There were three executive Directors of the Company. The remaining six Directors were non-executive Directors, out of which three Directors were independent. There were three Independent women Directors. The number of Independent Directors was one third of the total number of Directors.

The Company is in compliance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as: LODR Regulations), pertaining to composition of Board.

The day-to-day management of the Company is conducted by the Executive Directors, subject to the supervision and control of the Board of Directors.

All directors, other than Independent directors, are liable to retire by rotation.

(b) Number of Board Meetings and dates on which held

During 2022-23, the Board met four times on 10th May, 2022, 9th August, 2022, 9th November, 2022 and 27th January, 2023. The maximum gap between two Board meetings was less than one hundred twenty days.

(c) Attendance of Directors at the meeting of the board of directors and the last Annual General meeting

Attendance record of the Directors at the board meetings and at the last annual general meeting is as under:

NAME OF DIRECTOR	AGM HELD ON 30 TH JUNE, 2022	DATE OF THE BOARD MEETINGS HELD DURING THE YEAR				NO. OF BOARD MEETINGS ATTENDED (TOTAL MEETINGS HELD 4)	% OF ATTENDANCE
		10/05/2022	09/08/2022	09/11/2022	27/01/2023		
MR. ROHIT RELAN	YES	√	√	√	√	4	100%
MR. SANJIV KAPUR	YES	√	√	√	√	4	100%
MRS. SHYAMLA KHERA	YES	√	√	√	√	4	100%
MRS. VANITA CH-HABRA	YES	√	√	x	√	3	75%
MRS. DEEPA GOPALAN WADHWA	YES	√	√	√	√	4	100%
MR. RISHABH RELAN	YES	√	√	√	√	4	100%
MR. PRANAV RELAN	YES	√	√	√	√	4	100%
MR. AYUSH RELAN	YES	√	√	√	√	4	100%
MR. RAJAT BHANDARI	YES	√	√	√	√	4	100%

The Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee attended the Annual General Meeting.

(d) Details of Other Directorships/Committee Memberships

All the Directors have made necessary disclosures regarding their directorships and other interests as required under section 184 of the Companies Act, 2013 and on the Committee positions held by them in other Companies. None of the directors hold directorship in more than 20 Indian Companies with not more than 10 public limited companies and none of the directors hold directorships in more than 8 listed entities. None of the Independent directors serve as Independent director in more than seven listed entities. Further neither of director serves as member of more than 10 committees nor do any of them serve as Chairperson of more than five Committees across all the public limited companies in which they are directors. The Wholetime Directors and CEO does not serve as Independent Director on any listed company.

Details of Directors, category of Directors, No. of other Directorship/ Committee membership held by them as on 31st March, 2023 are given below:

SR. NO.	NAME OF THE DIRECTORS (DIN)	DESIGNATION	CATEGORY	DETAILS OF DIRECTORSHIP OF OTHER LISTED ENTITIES AND CATEGORY OF DIRECTORSHIP		NO. OF OUTSIDE DIRECTORSHIP		NUMBER OF OUTSIDE COMMITTEE POSITIONS HELD		NO. OF SHARES HELD IN NAEL
						PUBLIC	PRIVATE	AS MEMBER	AS CHAIRMAN	
1	MR. SANJIV KAPUR DIN: 00755441	CHAIRMAN AND DIRECTOR	NON-EXECUTIVE/ NON- INDEPENDENT	-	-		2	-	-	41753 Equity Share (0.70%)
2	MR. ROHIT RELAN DIN: 00257572	CO-CHAIRMAN AND DIRECTOR	PROMOTER/ NON- EXECUTIVE/ NON- INDEPENDENT	Bharat Seats Limited	Promoter / Executive / Non- Independent	1	2	-	-	2864855 Equity Shares (48.18%)
3	MRS. SHYAMLA KHERA DIN: 06929439	DIRECTOR	NON-EXECUTIVE/ INDEPENDENT	Bharat Seats Limited	Non-Executive/ Independent	1	-	2	1	-
4	MRS. VANITA CHHABRA DIN: 02161276	DIRECTOR	NON-EXECUTIVE/ INDEPENDENT	-	-	-	1	-	-	-
5	MRS. DEEPA GOPALAN WADHWA DIN: 07862942	DIRECTOR	NON-EXECUTIVE/ INDEPENDENT	1. Artemis Medicare Services Limited 2. Bengal & Assam Company Limited 3. Sapphire Foods India Limited 4. JK Paper Limited 5. J. K. Cement Limited	Non-Executive/ Independent Non-Executive/ Independent Non-Executive/ Independent Non-Executive/ Independent Non-Executive/ Independent	1	2	9	4	-
6	MR. RISHABH RELAN DIN: 07726444	DIRECTOR	NON-EXECUTIVE/ NON- INDEPENDENT	Bharat Seats Limited	Executive / Non- Independent	1	-	-	-	244868 Equity Shares (4.12%)
7	MR. PRANAV RELAN DIN: 07177944	WHOLETEIME DIRECTOR	EXECUTIVE/ NON- INDEPENDENT	-	-	-	1	-	-	244868 Equity Shares (4.12%)
8	MR. AYUSH RELAN DIN: 07716326	WHOLETEIME DIRECTOR	EXECUTIVE/ NON- INDEPENDENT	-	-	-	2	-	-	244868 Equity Shares (4.12%)
9	MR. RAJAT BHANDARI DIN: 02154950	WHOLETEIME DIRECTOR AND COMPANY SECRETARY	EXECUTIVE/ NON- INDEPENDENT	-	-	-	1	-	-	-

NOTES:

The Committees considered for the purpose are those prescribed under Regulation 26(1)(b) of the LODR Regulations 2015.

All the relevant information required to be placed before the Board of Directors as per Regulation 17(7) of LODR Regulations are duly considered and taken on record / approved by the Board.

Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

Succession Plan

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and senior management.

(e) Relationship between directors inter-se

There is no relationship between the directors except that:

Mr. Rohit Relan, Mr. Rishabh Relan, Mr. Pranav Relan and Mr. Ayush Relan are relatives;

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, its Directors and its senior management personnel which may affect their independence, except for the Sitting fees, drawn for attending the meetings of the Board and Committee(s) thereof.

(f) Number of Shares and convertible instruments held by Non-Executive Directors

SR. NO.	NAME OF THE DIRECTORS (DIN)	NO. SHARES HELD IN NACL
1	MR. SANJIV KAPUR DIN: 00755441	41753 Equity Share (0.70%)
2	MR. ROHIT RELAN DIN: 00257572	2864855 Equity Shares (48.18%)
3	MR. RISHABH RELAN DIN: 07726444	244868 Equity Shares (4.12%)

There are no convertible instruments issued by the Company.

(g) Familiarization Program

The Company follows familiarization programs through various reports/ codes/ policies for all the Directors. The details of familiarization program have been posted on the website of the Company under the web link : <https://ndrauto.com/wp-content/uploads/2023/04/familiarisation-programme-for-independent-directors-NACL.pdf>

(h) Key Board Skills, Expertise and Competence

The Board comprises qualified members who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its Committees.

In view of the objectives and activities of our Business, the Company requires skills/ expertise/ competencies in the areas of Finance, Regulatory, Strategy, Business Leadership, Automotive Technology, Human Resources, risk and Governance.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively. The Board periodically evaluates the need for change in its composition and size.

Core skills/expertise/competencies of the Board Members

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standard of Corporate Governance. In terms of the requirement of the Listing Regulation, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board along with the names of the Directors, who have such skill/expertise/ competence, are given below:-

Business & Industry

Domain Knowledge in Business and understanding of business environment, Optimising the development in the industry for improving Company's business.

Financial Expertise

Financial and risk management, Internal control, Experience of complex financial reporting processes, taxation, Capital allocation, resource utilisation, Understanding of Financial policies and accounting statement and assessing economic conditions.

Governance & Compliance

Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values

Administration and Government relations

Sr. No.	Name of the Director	Skills
1	Mr. Sanjiv Kapur, Chairman	Business & Industry, Governance & Compliance
2	Mr. Rohit Relan, Co-Chairman	Business & Industry, Financial Expertise, Governance & Compliance
3	Ms. Shyamla Khera	Financial Expertise, Governance & Compliance
4	Ms. Vanita Chhabra	Financial Expertise, Governance & Compliance
5	Ms. Deepa Gopalan Wadhwa	Administrative and Government Relations, Financial Expertise, Governance & Compliance
6	Mr. Rishabh Relan	Business & Industry, Financial Expertise, Governance & Compliance
7	Mr. Pranav Relan	Business & Industry, Financial Expertise, Governance & Compliance
8	Mr. Ayush Relan	Business & Industry, Financial Expertise, Governance & Compliance
9	Mr. Rajat Bhandari	Business & Industry, Financial Expertise, Governance & Compliance

(i) Independent Directors

The term Independent Director has been defined under Section 149 of the Companies Act, 2013 and rules framed there under and Regulation 16 of the Listing Regulations.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors meet the criteria of 'Independence' specified in the Regulation 16(1) of the LODR Regulations and section 149(6) of the Companies Act, 2013 and rules framed there under and are independent of the management as required under Regulation 25 of the LODR Regulations.

The Company has complied with the provisions with respect to appointment and term of appointment of Independent Directors which are consistent with the Act and Listing Regulations. The Independent Directors on the Board of the Company are given formal appointment letter *inter alia* containing the terms of appointment, role, duties and responsibilities etc. The terms and conditions of appointment are disclosed on the website at <https://ndrauto.com/wp-content/uploads/2022/09/Terms-of-appt-Ind-Director.pdf>. None of the Independent Directors have resigned before the expiry of their respective tenures during the year under review.

A separate meeting of the Independent Directors was held on January 27, 2023 without the attendance of non-independent Directors and other members of the Management. All the Independent Directors took part in the discussion. At the said meeting, the Independent Directors reviewed the performance of non-independent directors, the Board as a whole and the Chairman of the Company. They also assessed the quality, quantity, timeliness of flow of information and adequacy of information between the Company's management and the Board.

(j) Performance Evaluation of Directors

The Nomination and Remuneration Committee of the Board reviewed the criteria laid down for the performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

(k) Board's Functioning and Procedures

The Board plays a pivotal role in ensuring good governance. Its style of functioning is democratic. The Members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of a consensus arrived at after detailed discussion. The members are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the management towards the set goals and seeks accountability with a view to ensure that the corporate philosophy and mission viz., to create long term sustainable growth that translates itself into progress, prosperity and the fulfilment of stakeholders' aspirations, is accomplished. It also sets standards of corporate behavior and ensures ethical behavior at all times and strict compliance with Laws and Regulations.

The required information including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the LODR Regulations is made available to the Board of Directors.

All the items on the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

The minutes of the meetings of the Board are individually given to all directors for their comments, if any and are noted at the subsequent Board Meeting. The Minutes of the various Committees of the Board are also individually given to the respective Committee members and thereafter tabled for noting purpose at the subsequent Board Meeting, in compliance with Secretarial Standards issued by the Institute of Company Secretaries of India.

COMMITTEES OF THE BOARD:

The Board Committees are set up by the Board and play a crucial role in the governance structure of the Company and deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and the Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The Minutes of the meetings of all Committees of the Board are placed before the Board for noting purpose.

The Company has three Committees of the Board:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Committee

The composition of the various Committees of the Board of Directors is available on the website at:

<https://ndrauto.com/board-of-directors/>

3. AUDIT COMMITTEE

The Company has an Audit Committee and Ms. Shyamla Khera, Chairperson of the Audit Committee is a Non-Executive Independent Director of the Board who has relevant accounting and financial expertise. The composition and terms of reference of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and with Regulation 18(1) of the SEBI(LODR) Regulations. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities, and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statutes and other facets of Company's operation that are of vital concern to the Company. In particular, the role of Audit Committee includes the following:

(a) Functions of the Audit Committee

- i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report.
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the company with related parties;
- ix) Valuation of undertakings or assets of the company, wherever it is necessary;
- x) Evaluation of internal financial controls and risk management systems;
- xi) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiii) Discussion with internal auditors of any significant findings and follow up there on;
- xiv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board;
- xv) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xvii) To review the functioning of the Whistle Blower mechanism;
- xviii) Approval of appointment of CFO (i.e., the whole- time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xix) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing loans/ advances/ investments existing as on the date of coming into force of this provision.
- xxi) Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders.

(b) Powers of Audit Committee

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

(c) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- i) Management Discussion and Analysis of financial condition and results of operations;
- ii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii) Internal audit reports relating to internal control weaknesses; and
- iv) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- v) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

- (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- vi) To frame and review the policies in relation to the implementation of the Code of Conduct for Prevention of Insider Trading and to supervise implementation of the same.

The meetings of Audit Committee were held on 10th May, 2022, 9th August, 2022, 9th November, 2022 and 27th January, 2023. The maximum gap between two meetings was less than one hundred twenty days.

The composition of the Audit Committee and the meetings attended by the members during the year are as follows:

Sr. No.	Name	Category	Designation	No. of meeting held	No. of meetings attended
1	Ms. Shyamla Khera	Non-Executive / Independent Director	Chairperson	4	4
2	Ms. Vanita Chhabra	Non-Executive / Independent Director	Member	4	3
3	Ms. Deepa Gopalan Wadhwa	Non-Executive / Independent Director	Member	4	4
4	Mr. Rohit Relan	Promoter/ Non-Executive/ Non-Independent Director	Member	4	4

The meetings of the Audit Committee are/were also attended by the Chairpersons, Executive Directors, Chief Financial Officer, Statutory Auditors and Internal Auditors as Special Invitees as and when required. The Chairperson of the Audit Committee attended the last Annual General Meeting to answer the shareholders' queries. The Company Secretary acts as the Secretary of the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The meeting of Nomination and Remuneration Committee was held on 27th January, 2023. The composition of Nomination and Remuneration Committee is as follows:

Sr. No.	Name	Category	Designation	No. of meetings held	No. of meetings attended
1	Ms. Shyamla Khera	Non-Executive / Independent Director	Chairperson	1	1
2	Mr. Sanjiv Kapur	Non-Executive / Non-Independent Director	Member	1	1
3	Ms. Vanita Chhabra	Non-Executive /Independent Director	Member	1	1

Mr. Rajat Bhandari, Wholtime Director and Company Secretary acts as the Secretary of the Committee.

The Committee's constitution and terms of reference are in compliance with the provisions of section 178 of the Companies Act and Regulation 19 read with Part D of Schedule II of the SEBI (LODR), Regulations, 2015, besides other terms as may be referred by the Board of Directors.

Remuneration policy

The Committee's constitution and terms of reference are in compliance with the provisions of section 178 of the Companies Act and Part D of Schedule II of SEBI (LODR), Regulations, 2015 besides other terms as may be referred by the Board of Directors. The policy is available on the website at <https://ndrauto.com/wp-content/uploads/2020/10/NRC-Policy.pdf>

The terms of reference include:

- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and Remuneration for the Directors, Key Managerial Personnel and Senior Management and recommending the same to the Board and
- Identification of person who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria as per the policy approved by the Board. The policy of the company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward employees for their individual performance and contribution to the business.
- The Nomination and Remuneration Committee lays down the criteria for the performance evaluation of Independent Directors and other Board of Directors and committees of the Board of Directors.

The appointment of Mr. Pranav Relan as Wholetime Director w.e.f. 27th October, 2020 and remuneration thereof for a period of three years was approved by shareholders by means of a Special Resolution at their 1st Annual General Meeting held on 29th December, 2020, on the lines as approved by board in its meeting held on 27th October, 2020.

The appointment of Mr. Ayush Relan and Mr. Rajat Bhandari, both as Wholetime Director w.e.f. 02nd January, 2021 and remuneration thereof for a period of three years was approved by shareholders by means of a Special Resolution at their 1st Annual General Meeting held on 29th December, 2020, on the lines as approved by board in its meeting held on 30th November, 2020. Further the Board approved the appointment of Mr. Rajat Bhandari as Wholetime Director and Company Secretary w.e.f., November 01, 2021 on same remuneration.

The Non-Executive Director do not draw any remuneration from the company except the sitting fees which were paid at a rate of Rs. 40,000/- for each meeting of the Board/Committee of the Board attended by them during the financial year.

The details of salary, perquisites (including contribution to Provident Fund) and sitting fees paid to directors are given as under:

Rs. in lakhs

Name	Position	Gross Remuneration		Sitting Fee
Mr. Sanjiv Kapur	Chairman and Director		-	3.60
Mr. Rohit Relan	Co-Chairman and Director		-	3.20
Ms. Shyamla Khera	Director		-	5.60
Ms. Vanita Chhabra	Director		-	3.20
Ms. Deepa Gopalan Wadhwa	Director		-	5.20
Mr. Rishabh Relan	Director		-	3.20
Mr. Pranav Relan	Whole Time Director	Salary	41.30	
		Allowances and Perquisites	20.65	
		Contribution to P.F.	6.43	
		Total	68.38	
Mr. Ayush Relan	Whole Time Director	Salary	40.58	
		Allowances and Perquisites	20.29	
		Contribution to P.F.	6.34	
		Total	67.21	
Mr. Rajat Bhandari	Whole Time Director and Company Secretary	Salary	44.63	
		Allowances and Perquisites	29.88	
		Contribution to P.F.	5.36	
		Total	79.87	

5. Stakeholders' Relationship Committee

In compliance with Section 178 of the Companies Act, 2013 and the rules made thereunder and Regulation 20 of SEBI (LODR), 2015, the Company has duly constituted a Stakeholders' Relationship Committee (SRC). The SRC Constitution Charter elaborates in detail the constitution, manner of meetings and roles and responsibilities of SRC.

Stakeholders Relationship Committee is primarily responsible with various matters relating to:-

- Overall review of Transfer of shares.
- Issue of duplicate share certificate.
- Review of shares dematerialized and all other related matters.
- Monitors expeditious redressal of shareholders' grievances.
- Review of measures for effective exercise of voting rights by shareholders

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and share transfer agent and overseeing their performance.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend/ annual reports by the shareholders of the Company
- And such other terms of reference as may be prescribed by law from time to time.

The meetings were held on 10th May, 2022, 9th August, 2022, 9th November, 2022 and 27th January, 2023. The composition of the committee and the details regarding meetings held and attended are given as under:

S. No.	Name	Category	Status	No. of meetings held	No. of meetings attended
1.	Mr. Sanjiv Kapur	Non-Executive/Non-Independent Director	Chairperson	4	4
2.	Ms. Shyamla Khera	Non-Executive/Independent Director	Member	4	4
3.	Ms. Deepa Gopalan Wadhwa	Non-Executive/Independent Director	Member	4	4
4.	Mr. Rishabh Relan	Non-Executive Director	Member	4	4

Details of the status of the Complaints received during the year in the following statement:

S. No.	Received	Resolved	Pending
Complaints	nil	nil	nil

Mr. Rajat Bhandari, Wholetime Director and Company Secretary is the Compliance Officer as per Regulation 6 of LODR Regulations, 2015. There are no shares pending for transfer as on 31st March, 2023 except those cases where there were discrepancies which were timely pointed out to the concerned stakeholders. The Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting to answer the shareholders' queries.

6. GENERAL BODY MEETINGS

Details of Annual General Meetings held during the last three years:

Year	Date	Time	Venue	Whether Special Resolution passed
2022	30.06.2022	11 a.m.	Video Conferencing/ Other Audio video means(VC/ OAVM) (with deemed venue at Regus, Caddie Commercial Tower Hospitality District, IGI Aerocity, New Delhi 110037)	No
2021	22.09.2021	11 a.m.	Video Conferencing/ Other Audio video means(VC/ OAVM) (with deemed venue at Regus, Caddie Commercial Tower Hospitality District, IGI Aerocity, New Delhi 110037)	Yes
2020	29.12.2020	10:30 a.m.	Video Conferencing/ Other Audio video means(VC/ OAVM) (with deemed venue at Regus, Caddie Commercial Tower Hospitality District, IGI Aerocity, New Delhi 110037)	Yes

7. POSTAL BALLOT DURING THE YEAR

- (i) The Company successfully completed the process of obtaining approval of the members on the following resolution through postal ballot during the year 2022-2023, the result of which was announced on 16th December, 2022:

Re-classification of Promoter/ Promoter Group to Public Category

Voting pattern and procedure for Postal Ballot

- (ii) The Directors of the Company vide its resolution dated 9th November, 2022 had appointed Mr. R.S.Bhatia, Company Secretary in Practice as the Scrutinizer for conducting the Postal Ballot process.
- (iii) Pursuant to the provisions of the Act and MCA Circulars, the Company has sent Postal Ballot Notice dated 9th November, 2022 together with the explanatory statement on 15th November, 2022 to its members whose name(s) appeared in the Register of Members maintained by RTA of the Company and list of beneficial owners received from National Securities Depository Limited and Central Depository Services (India) Limited as on the Cut-off date i.e. 11th November, 2022 and whose e-mail IDs were available with the Company and Depositories, through electronic means only and has not dispatched physical notices to any member.

- (iv) The voting by electronic means under postal ballot was kept open from 16th November, 2022 to 15th December, 2022.
- (v) The physical copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope were not sent to the members. Members were asked to communicate their assent or dissent on the proposed resolution through remote e-voting system only. Therefore, neither the Company nor the scrutinizer received any postal ballot form(s).
- (vi) All voting by electronic means received upto 5 p.m. on 15th December, 2022, the last date and time fixed by the Company for e-voting had been considered by the scrutinizer.
- (vii) On 16th December, 2022, Mr. Sanjiv Kapur, Chairman and Director announced the results of the postal ballot as per the Scrutinizer's Report, as follows:

In Favour/Against	Remote E-voting		
	Voters	No. of Votes	Percentage
In Favour	100	1589971	99.93
Against	52	1065	0.07
Total	152	1591036	100

Invalid Votes: Nil.

8. MEANS OF COMMUNICATION

- The unaudited quarterly results are announced within forty-five days of the end of the quarter and the audited annual results within sixty days from the end of the last quarter as stipulated under the LODR regulations. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchange where the company's securities are listed.
- Once the Stock Exchange has been intimated, these results are also published within 48 hours in English newspaper: Financial Express, and Hindi newspaper Jansatta-Delhi.
- All the data required to be filled electronically, such as quarterly financial results, shareholding pattern are being regularly uploaded on the Company's website: www.ndrauto.com and also uploaded on BSE and NSE.
- The Annual Report containing *inter alia* Audited Annual Accounts, Directors' Report, Auditors' Report and other important information forming part of Annual Report is displayed on the Company's website.
- The Annual report is forwarded to all members in electronic mode, whose email IDs are registered with Depositories.
- NECS intimation of dividend is forwarded to all members in electronic mode, whose email IDs are registered with Depositories and physical copies are sent in case email ID is not available.

10. GENERAL SHAREHOLDERS INFORMATION

(a) Appointment/ Re-appointment of Directors

As required, a brief profile and other particulars of the Directors seeking appointment/ re-appointment are given in the Notice of the 4th Annual General Meeting and forms part of the Corporate Governance Report.

(b) Annual General Meeting

Number of Annual General Meeting	4 th Annual General Meeting
Date and Time	19 th July, 2023 at 11a.m.
Venue	Through Video Conferencing/other audio visual means (VC/OAVM)

(c) Financial Calendar: 2023-24, 1st April, 2023 to 31st March, 2024

First Quarter Ended June, 2023	Before 2nd week of August, 2023
Second Quarter Ended September, 2023	Before 2nd week of November, 2023
Third Quarter Ended December, 2023	Before 2nd week of February, 2024
Year ended March, 2024	Before end of May, 2024

(d) Book Closure Dates

From 13th July, 2023 to 19th July, 2023 (both days inclusive).

(e) Dividend Payment date

The Dividend, if declared, will be paid within 30 days of the Annual General Meeting.

(f) As on 31st March 2023, the Equity Shares of the company are listed on:

BSE Limited

P.J. Towers
Dalal Street, Mumbai – 400001

National Stock Exchange of India Ltd.

Exchange Plaza, Plot No. C/1, G-Block Bandra Kurla
Complex, Bandra (East),
Mumbai – 400 051

Listing fee for the financial year: 2023-2024 had been paid to the stock exchanges. The Equity shares of the Company have not been suspended from trading.

(g) Stock Code

Stock Code is 543214 on BSE and NDRAUTO on NSE.

International Securities Identification Number (ISIN) for NSDL and CDSL: INE07OG01012.

(h) Market Price data:

Monthly High and Low quotations as well as the volume of the equity shares of the company traded for the year 2022-2023:

a) based upon BSE Price data is given below:

MONTH	BSE – HIGH	BSE – LOW	VOLUMES	BSE SENSEX
APRIL, 2022	419.85	343.00	92647	57060.87
MAY, 2022	448.05	329.20	143515	55566.41
JUNE, 2022	427.80	301.30	66960	53018.94
JULY, 2022	402.45	362.00	24303	57570.25
AUGUST, 2022	465.00	361.10	27947	59537.07
SEPTEMBER, 2022	525.00	433.00	33318	57426.92
OCTOBER, 2022	491.70	431.50	5261	60746.59
NOVEMBER, 2022	647.40	445.10	66773	63099.65
DECEMBER, 2022	608.80	482.15	23835	60840.74
JANUARY, 2023	629.90	544.50	33701	59549.90
FEBRUARY, 2023	715.05	518.05	58711	58962.12
MARCH, 2023	579.90	531.05	13241	58991.52

b) based upon NSE Price data is given below:

MONTH	NSE – HIGH	NSE – LOW	VOLUMES (lakhs)
APRIL, 2022	414.00	341.00	6.04
MAY, 2022	449.00	350.40	9.41
JUNE, 2022	416.85	300.65	2.76
JULY, 2022	401.95	361.30	2.01
AUGUST, 2022	473.80	366.90	3.90
SEPTEMBER, 2022	519.80	420.60	3.13
OCTOBER, 2022	481.90	429.05	0.61
NOVEMBER, 2022	649.75	445.70	5.41
DECEMBER, 2022	608.85	477.00	1.88
JANUARY, 2023	629.45	544.00	2.38
FEBRUARY, 2023	715.00	517.65	5.34
MARCH, 2023	590.00	522.95	1.03

(i) Registrar and Share Transfer Agents: (For Demat Shares and for Physical Shares)

Beetal Financial & Computer Services (P) Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi, Delhi 110062

Phone: +911129961281, Email id: beetal@beetalfinancial.com

(j) Share Transfer System

In terms of the Listing Regulations, equity shares of the Company can only be transferred in dematerialised form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification.

Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting/ consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company i.e <https://www.ndrauto.com>. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Shareholders should communicate with Beetal Financial & Computer Services (P) Limited, the Company's Registrars & Share Transfer Agent at beetal@beetalfinancial.com quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

(k) Distribution of Shareholding as on 31.03.2023:

S. NO.	NO. OF SHARES HELD	NO. OF HOLDERS	PERCENTAGE OF HOLDERS (%)	HOLDING	PERCENTAGE OF HOLDING (%)
1	UPTO 500	8273	96.03%	336357	5.66%
2	501 TO 1000	130	1.51%	98121	1.65%
3	1001 TO 5000	151	1.75%	323519	5.44%
4	5001 TO 10000	21	0.24%	156715	2.63%
5	10001 TO 20000	20	0.24%	303638	5.11%
6	20001 TO 30000	7	0.09%	169483	2.85%
7	30001 TO 40000	2	0.02%	72058	1.21%
8	40001 TO 50000	2	0.02%	85753	1.44%
9	50001 TO 100000	2	0.02%	113037	1.90%
10	100001 TO 500000	5	0.06%	1395588	23.47%
11	500001 and ABOVE	2	0.02%	2892057	48.64%
	TOTAL	8615	100%	5946326	100%

(l) Shareholding pattern as on 31.03.2023:

S. No.	Category	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
1.	Promoters and Associate Companies:				
a.	Indian	13	0.15%	4397142	73.95
b.	Foreign	-	-	-	-
2.	Non-Promoter Shareholding:				
a.	Other Corporate Bodies	80	0.93%	164010	2.752
b.	Mutual Funds	-	-	-	-
c.	Financial Institutions	1	0.01%	55	0.009
d.	NRIs	164	1.91%	56816	0.96
e.	Trust	2	0.02%	533	0.009
f.	Indian Public/HUF	8354	96.97%	1320670	22.20
g.	IEPF Account	1	0.01%	7100	0.12
	TOTAL	8615	100%	5946326	100%

(m) Dematerialisation of Shares and liquidity

Electronic holding of members comprises 99.60% of the paid up Equity Shares of the Company as at 31st March, 2023. The Shares of the Company are available for trading with both the Depositories, namely; National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

- (n) No GDRs/ADRs Warrants or any convertible instruments have been issued by the company.
- (o) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of LODR Regulations: The Company did not raise any funds through preferential allotment or qualified institutions placement
- (p) Commodity price risk or foreign exchange risk and hedging activities: The Company is exposed to capital risk, market risk, credit risk and liquidity risk. The details of risks, including foreign exchange exposures as on March 31, 2023 are disclosed in Notes to the Financial Statements.
- (q) Pursuant to Schedule V of the LODR Regulations, the details of shares held in **Unclaimed Suspense Account of “NDR Auto Components Limited – Unclaimed Suspense Account”** with Alankit Assignments Limited are as follows:

Type of Securities	Balance As on 1st April, 2022		*No. of shareholders who approached for transfer from Suspense Account		No. of shareholders to whom shares were transferred from Suspense Account		Balance As on 31st March, 2023	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Equity Shares	12	39158	-	-	-	-	12	39158

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(r) Plant Locations:

- | | |
|---|--|
| 1) Plant – I
C506, Block-C, Pioneer Industrial Park (Village Bhudaka), Pathredi, Gurugram, Haryana | 2) Plant- II
Plot No. 8, Sector 37, Gurugram, Haryana |
| 3) Plant-III
Plot No 293, Road No 2 (KIADB) Industrial Area 2 nd Phase Harohalli Karnataka Taluk, Ramanagara Dist. 562112 | 4) Plant-IV
New Survey/ Block No.30 (Old Revenue Survey no. 403/9) Moje Naviyani, Taluka Dasada Distt. Surenderanagar, Part of Nihon Industrial Park, Gujarat |

(s) Registered Office:

NDR Auto Components Limited
 Level-5, Regus Caddie Commercial Tower Hospitality District Aerocity, IGI Airport New Delhi 110037 | Tel.: +91 11 66544976 | Email: cs@ndrauto.com

(t) Investor Relation Cell address for Correspondence

Investors/ shareholders correspondence may be addressed either to the Company’s Secretarial Department, contact person: Mr. Rajat Bhandari, Wholetime Director and Company Secretary, functioning at the corporate office of the Company at Gurugram or to its Registrar and Transfer Agent: Beetal Financial & Computer Services (P) Limited, contact person: Mr. Bhavendra Jha at Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi, Delhi 110062.

(u) OTHER DISCLOSURES

Related Party Transactions

The particulars of transactions between the company and its related parties as per the terms of Ind AS-24, “Related Party Disclosures”, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2015 and Regulation 23 of the LODR Regulations, are disclosed in Note No.37 of Notes to Financial Statements. However, these transactions are not likely to have any conflict with the Company’s interest. All related party transactions are generally

with its associates and are entered into based on considerations of various business exigencies. All related party transactions are in the ordinary course of business and are negotiated on arm's length basis and are intended to further the Company's interests. Further, there were no materially significant related party transactions that were entered during the year that have a potential conflict with the interests of your Company at large. A confirmation as to the compliance of Related party transactions for its non-applicability as per LODR Regulations were sent to Stock exchanges.

Penalties/ Strictures

No Strictures/Penalties have been imposed on the company by the Stock Exchange or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during the last three years, except a fine of Rs.76,700/- was imposed by stock exchanges towards delay in the approval of unaudited standalone and consolidated results for quarter and half year ended September 30, 2020. The same were approved by the Board.

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI.

The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts.

The Management Discussion and Analysis is an ongoing process within the Organization. An exercise on Business Risk was carried out covering the entire gamut of Business operations and the Board was informed of the same.

The Company has framed Whistle Blower Policy. No personnel had been denied access to the Audit Committee. Adoption of non-mandatory requirements as stipulated under Listing Regulations are being reviewed by the Board from time to time.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements as specified in Part E of Schedule II of LODR Regulations 2015:

The Company has duly complied with all the mandatory requirements under Chapter IV of the SEBI (LODR), 2015. The Company has not adopted the non-mandatory (discretionary) requirements as mentioned in Part E of Schedule II of the SEBI (LODR), 2015 except that the Company has financial statement with unmodified audit opinion and the Internal Auditor reports directly to the Audit Committee.

Disclosure of Accounting Treatment

The financial statements of year under review have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

Disclosure Pursuant to Clause (2a) Of Schedule V (Annual Report) Of SEBI (LODR) (Amendment) Regulations, 2018 of transactions of the Company with any person or entity belonging to the Promoter/ Promoter group which hold(s) 10% or more shareholding in the listed entity

Enclosed as annexure.

(v) CREDIT RATING

The Company did not obtain any credit rating.

(w) CODE OF CONDUCT

In terms of the requirement of Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015 ["SEBI (LODR), 2015"] & Section 149(8) read with Schedule IV of the Companies Act, 2013 ("the Act"), the Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. A copy of code of conduct has been made available to stock exchange for its wide circulation and has been posted at the website of the Company. All Board members and senior management personnel affirm their compliance with the Code on annual basis. A declaration to this effect signed by the Wholtime Director of the Company forms part of this Annual Report of the Company.

(x) CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and Designated Employees/ persons who could have access to the Unpublished Price Sensitive Information are governed by the said Code.

(y) PREVENTION OF SEXUAL HARASSMENT

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Committee has been constituted in accordance with the provisions of the POSH Act to redress complaints

received regarding sexual harassment and all the provisions regarding the constitution are complied with.

During the year under review, the status of complaints on sexual harassment is as follows:

No. of Complaints filed during the financial year: nil

No. of Complaints disposed of during the financial year: nil

No. of complaints pending as on the end of financial year: nil

(z) REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance forms part of this Annual Report of the Company and is being sent to the shareholders accordingly.

Disclosures of Compliance with Corporate Governance Requirements

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 of LODR.

The Company has complied with Clause (b) to (i) of sub regulation (2) of Regulation 46, relating to website disclosures. The Company's website contains a separate section 'Investor Relations' where members can access the details of the Board, Policies, the Board Committee, financials, details of unclaimed dividend and shares transferred/ liable to be transferred to IEPF, Stock exchange disclosures etc.

(aa) CERTIFICATIONS

In compliance with Regulation 17(8) and 33 of the SEBI (LODR), 2015, the Company duly places a Certificate signed by Wholetime Director and Chief Financial Officer of the Company before the Board of Directors.

The Company has obtained a certificate from its Secretarial Auditor regarding compliance of conditions of Corporate Governance stipulated under Listing Regulations and the said certificate is attached to the Boards Report and forms a part of the Annual Report. The said certificate is sent to the shareholders and Stock Exchanges along with the Annual Report of the Company.

A certificate from the Company Secretary in Practice has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, attached as Annexure.

(ab) REMUNERATION TO STATUTORY AUDITORS

SS Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration number: 000756N the Company's Statutory Auditor is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

As required under Regulation 34 read with Part C of the Schedule V of the LODR Regulations, the total fees paid by the Company is Rs. 16.00 lakhs (and its subsidiaries – Not Applicable) on a consolidated basis to the Statutory auditor and all entities in the network firm/ entity of which the statutory auditor is a part.

ANNEXURE

DISCLOSURE PURSUANT TO CLAUSE (2A) OF SCHEDULE V (ANNUAL REPORT) OF SEBI (LODR) (AMENDMENT) REGULATIONS, 2018

Disclosures of transactions of the listed entity with any person or entity belonging to the Promoter/ Promoter group which hold(s) 10% or more shareholding in the listed entity

A. Names of promoter/ promoter group, with 10% or more shareholding and description of relationship:

S. No.	Names of promoter/ promoter group, with 10% or more shareholding	Nature of relationship
1	Rohit Relan	Promoter and Director
2	Ritu Relan	Promoter Group

Transactions during the year: NIL

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2022-23

NDR Auto Components Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics.

As provided under Listing Regulations, I hereby certify that all the Board members and Senior Management personal have affirmed the compliance with the Code of Ethics and Business Conduct for the year ended 31st March, 2023.

For NDR Auto Components Limited

Rajat Bhandari
Executive Director
(DIN: 02154950)

CEO / CFO Certification

To
The Board of Directors
NDR Auto Components Limited

As provided under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, we certify the following to the Board that for the year ended 31st March, 2023:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee :
- (1) that there have been no changes in internal control over financial reporting during the year;
 - (2) that there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) There were no instances of fraud of which we have become aware.

For NDR Auto Components Limited

Rajat Bhandari
Executive Director and Company Secretary

For NDR Auto Components Limited

Vinod Kumar
Chief Financial Officer

Dated : May 29, 2023
Place : New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE**To****The Members of NDR Auto Components Limited**

I have examined the provisions of applicability of Corporate Governance reporting by the Company as stipulated under Regulation 15 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In terms of the exemption granted under Regulation 15 of the SEBI (LODR) Regulations, 2015, the Company was not required to comply with the provisions of Regulation 27 of the SEBI (LODR) Regulations, 2015 during financial year 2022-23 as both the paid-up share capital and net worth were below the prescribed limits as on March 31, 2022.

Date : 16/05/2023
Place : New Delhi

R S Bhatia
Practicing Company Secretary
CP No.:2514
P/R No.: 1496/2021
UDIN: F002599E000313052

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
NDR Auto Components Limited,
Level-5, Regus Caddie Commercial Tower,
Hospitality District Aerocity, IGI Airport,
New Delhi 110037

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of NDR Auto Components Limited having CIN: L29304DL2019PLC347460 and having registered office at Level-5, Regus Caddie Commercial Tower, Hospitality District Aerocity, IGI Airport, New Delhi 110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment
1	Mr. Sanjiv Kapur	00755441	23/10/2020
2	Mr. Rohit Relan	00257572	23/10/2020
3	Ms. Shyamla Khera	06929439	23/10/2020
4	Ms. Vanita Chhabra	02161276	30/11/2020
5	Ms. Deepa Gopalan Wadhwa	07862942	30/11/2020
6	Mr. Rishabh Relan	07726444	23/10/2020
7	Mr. Pranav Relan	07177944	23/10/2020
8	Mr. Ayush Relan	07716326	23/10/2020
9	Mr. Rajat Bhandari	02154950	30/11/2020

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 16/05/2023
Place : New Delhi

R. S. Bhatia
Practicing Company Secretary
CP No: 2514
P/R No.: 1496/2021
UDIN No: F002599E000313085

Independent Auditor's Report

To The Members of NDR Auto Components Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying statements of standalone financial statements of **NDR Auto Components Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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 other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Standalone 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 standalone 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 regards.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and 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 standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management 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 Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 purpose 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, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure – B" to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) the Company has disclosed the impact of pending litigations on its financial position. Refer Note 27 to the standalone financial statements;
 - ii) the Company did not have any long-term contracts including derivative contracts, therefore no provision is required under the applicable law or Indian Accounting Standards;
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv) a) On the basis of the representation from the management no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
b) On the basis of the representation from the management no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
 - v) the dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
 - vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 095960
UDIN: 23095960BGWQZV4133

Place : Delhi
Date : 29.05.2023

“Annexure – A” to the Independent Auditor’s Report to the members of NDR Auto Components Limited

Referred to in paragraph 1 of report on other legal and regulatory requirement’s paragraph of our report on the standalone financial statement of even date,

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(B) The company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment have been physically verified by the management according to a phased manner program over a period of three years, in our opinion, which is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) On the basis of information and explanation given to us by management there are currently no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and the records examined by us, inventories have been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material (10% or more in aggregate for each class of inventory) and have been properly dealt with in the books of account.
- (b) The Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, to companies, firms, Limited Liability Partnerships or any other parties.
The Company has made investments in other parties during the current financial year. And granted unsecured loan of Rs. 1000 lakhs to its associate during the previous financial year. The aggregate amount during the year and balance outstanding at the balance sheet date with respect to the loan constitutes for Rs. 1000 lakhs.
- (b) Based on records and information and explanation given to us, in respect of the investments made during the current financial year and loan granted the terms and conditions are not prejudicial to the Company’s interest.
- (c) In respect of loan, the schedule of repayment of principal and payment of interest has been stipulated and the repayments are regular.
- (d) In respect of loan granted by the Company, there is no overdue amount.
- (e) The loan granted during the previous financial year to the associate had fallen due during the year, however the same has been renewed during the year.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Based on records and according to the information and explanation given to us, the Company has complied with transaction covered under sections 185 and 186 of Companies Act, 2013 and the rules framed thereunder.
- (v) Based on records and according to the information and explanation given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder, to the extent applicable to the Company. Accordingly, the reporting under paragraph 3(v) of the Order is not applicable to the Company.
- (vi) As per the requirement under section 148(1) of Companies Act, 2013 the Central government has not prescribed for maintenance of cost records for the Company. However, as explained to us the Company has maintained cost records for the business review purpose.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts

outstanding at year end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues as stated in sub-clause (a) above which have not been deposited on account of any dispute.
- (viii) As per the information and explanation given to us and as per the records examined by us, there are no such transactions which previously not recorded in the books of accounts, now has been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961.
- (ix)
 - (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken loans or other borrowings from banks during the year. The Company has taken a loan from financial institution during the previous financial year. And there is no default in repayment of this loan and interest thereon.
 - (b) As per the information and explanation given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
 - (c) The Company has not taken any term loan during the year.
 - (d) Based on examination of records and information and explanation given to us, the Company has not raised any short term funds. Hence, reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company.
 - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its associate and joint ventures. And there are no subsidiaries of the Company.
 - (f) The company has not raised loans during the year on the pledge of securities held in its joint ventures or associate company. And there are no subsidiaries of the Company.
- (x)
 - (a) Based on the records and information and explanation given to us, the Company has not raised any money by way of initial public offer/further public offer (including debt instrument) during the financial year.
 - (b) Based on records and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi)
 - (a) Based on records and information and explanations given to us, no cases of fraud noticed or reported by the Company or fraud on the Company during the year.
 - (b) No report under sub-section 12 of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) According to the information and explanation given to us and based on our examination, there are no whistle-blower complaints received during the year by the Company.
- (xii) Based on records and information and explanation given to us, the Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, paragraph 3(xii)(a)(b) & (c) of the Order is not applicable to the Company.
- (xiii) As per the information and explanation given to us and on the basis of our examination of the records, the Company has transacted with the related parties which are in compliance with section 177 and section 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements as required by the Indian Accounting Standard -24 Related Party Disclosures. Refer note no. 37(d) to the standalone financial statements.
- (xiv)
 - (a) According to the information and explanation given to us and based on our examination, in our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year.
- (xv) Based on records and information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi)
 - (a) Based on records and information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) Based on records and information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) Based on records and information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India.
 - (d) Based on records and information and explanations given to us, the Group is not having a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India.

- (xvii) Based on the records and information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediate preceding financial year.
- (xviii) There has been no resignation of the statutory auditor of the Company during the year.
- (xix) On the basis of the financial ratios disclosed in note no. 37(k) to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Refer note no. 37(f) to the standalone financial statements.
- (b) There are no ongoing projects with the Company. Accordingly, reporting under paragraph 3(xx)(b) of the Order is not applicable for the year. Also, refer to note no. 37(f) to the standalone financial statements.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner

Membership No. 095960
UDIN: 23095960BGWQZV4133

Place : Delhi
Date : 29.05.2023

“Annexure – B” to the Independent Auditor’s Report to the members of NDR Auto Components 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 over financial reporting of **NDR Auto Components Limited** (“the Company”) as at March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting 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”. 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. 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 over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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
- c) 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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, based on records the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone financial statements and the internal controls over financial reporting with reference to these standalone financial statements are generally operating effectively as at March 31, 2023 based on the "internal control over financial reporting 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 S Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner

Membership No. 095960
UDIN: 23095960BGWQZV4133

Place : Delhi
Date : 29.05.2023

NDR AUTO COMPONENTS LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2023

(Rs. in lakhs, except as otherwise stated)

	Notes	As at 31st March, 2023	As at 31st March 2022
ASSETS			
1 Non-current assets			
Property, plant and equipment	5(i)	10,200.64	3,546.95
Capital work in progress	6	1,338.94	3,211.73
Right of use assets	5(iii)	3,126.05	1,159.52
Other intangible assets	5(ii)	21.50	14.75
Financial assets			
(i) Investments	7(i)	165.00	165.00
(ii) Loans	8(i)	1,000.00	-
(iii) Others financial assets	8(i)	179.09	147.06
Deferred tax assets (net)	21	88.98	187.43
Non-current tax assets (Net)	9	-	14.93
Other non-current assets	10	359.95	27.10
		16,480.15	8,474.47
2 Current assets			
Inventories	11	3,934.42	2,126.31
Financial assets			
(i) Investments	7(ii)	90.31	-
(ii) Trade receivables	12	3,110.06	3,045.95
(iii) Cash and cash equivalents	13	906.87	91.18
(iv) Bank balances other than (iii) above	14	4,246.38	5,053.75
(v) Loans	8(ii)	-	1,000.00
(vi) Other financial assets	8(ii)	131.27	157.21
Other current assets	15	690.25	952.93
		13,109.56	12,427.33
Total Assets		29,589.71	20,901.80
EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	16	594.63	594.63
Other equity	17	16,402.08	14,409.51
		16,996.71	15,004.14
2 Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowing	18	170.01	184.65
(ia) Lease liabilities	19(i)	2,946.92	1,026.99
Provisions	20(i)	33.74	32.07
		3,150.67	1,243.71
Current liabilities			
Financial liabilities			
(i) Borrowing	22	14.64	13.35
(ia) Lease liabilities	19(ii)	240.71	71.74
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	23	252.48	170.39
- Total outstanding dues of trade payables other than micro enterprises and small enterprises	23	7,166.22	3,899.41
(iii) Other financial liabilities	24	1,622.42	420.56
Other current liabilities	25	51.66	38.75
Provisions	20(ii)	17.50	39.75
Current Tax liability (net)	26	76.70	-
		9,442.33	4,653.95
Total Equity and Liabilities		29,589.71	20,901.80
Summary of significant accounting policies	2		
Contingent liabilities and commitments	27		
Other notes on accounts	37		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

For **S S Kothari Mehta & Company**
Chartered accountants
ICAI Registration No. 000756N

Rohit Relan
Co-Chairman & Director
Din: 00257572

Pranav Relan
Whole Time Director
Din: 07177944

Neeraj Bansal
Partner
Membership no. 095960

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director And Company Secretary
Din: 02154950

Place : Delhi
Date : May 29, 2023

NDR AUTO COMPONENTS LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in lakhs, except as otherwise stated)

Particulars	Notes	Year Ended 31st March, 2023	Year Ended 31st March 2022
I INCOME			
Revenue from operations	28	39,278.46	23,254.89
Other income	29	718.36	826.79
Total income		39,996.82	24,081.68
II EXPENSES			
Cost of materials consumed	30	29,808.48	17,723.45
Changes in inventories of finished goods and work in progress	31	(122.26)	(44.77)
Employee benefits expense	32	1,239.04	914.04
Finance costs	33	178.68	72.53
Depreciation and amortization expenses	34	867.63	733.05
Other expenses	35	5,180.11	3,268.72
Total expenses		37,151.68	22,667.02
III Profit before tax (I - II)		2,845.14	1,414.66
IV Tax expenses			
Current tax	21	610.90	405.44
Deferred tax expenses/(credit)	21	98.45	(70.40)
Income tax expense		709.35	335.04
V Profit for the year		2,135.79	1,079.62
VI Other comprehensive income			
Items that will not be reclassified to Statement of profit or loss:			
i) Re-measurement gains/(losses) on defined benefit plans (refer note 37(b))		7.27	30.14
ii) Income tax relating to items that will not be reclassified to profit or loss (refer note 21)		(1.83)	(7.59)
Total other comprehensive income for the year, net of taxes		5.44	22.55
VII Total comprehensive income for the year, net of taxes		2,141.23	1,102.17
VIII Earnings per equity share of Rs. 10 each:			
(1) Basic (Rs.)	36	35.92	18.16
(2) Diluted (Rs.)	36	35.92	18.16
Summary of significant accounting policies	2		
Contingent liabilities and commitments	27		
Other notes on accounts	37		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

For **S S Kothari Mehta & Company**
Chartered accountants
ICAI Registration No. 000756N

Rohit Relan
Co-Chairman & Director
Din: 00257572

Pranav Relan
Whole Time Director
Din: 07177944

Neeraj Bansal
Partner
Membership no. 095960

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director And Company Secretary
Din: 02154950

Place : Delhi
Date : May 29, 2023

NDR AUTO COMPONENTS LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	2,845.14	1,414.66
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	867.63	733.05
(Profit)/Loss on sale of property, plant and equipment	79.49	75.56
Provision for diminution in value of investment	-	0.50
Finance cost	20.46	2.73
Interest on lease liability	158.22	69.80
Interest income	(343.42)	(382.50)
Dividend income	(87.24)	(57.00)
Net (gain)/ loss on investment	8.68	-
Unrealised (gain)/ loss on foreign exchange fluctuation	(0.12)	(0.46)
Income on termination of lease under Ind-AS-116	-	(13.39)
Liabilities no longer required written back	(171.74)	(258.84)
Operating profit before working capital changes	3,377.10	1,584.11
Adjustments for changes in working capital :		
(Increase)/decrease in inventories	(1,808.11)	(887.48)
(Increase)/decrease in trade receivables	(64.11)	64.61
(Increase)/decrease in other financial assets	(23.07)	(175.53)
(Increase)/decrease in other assets	261.05	(743.12)
Increase/(decrease) in trade payables	3,520.76	757.91
Increase/(decrease) in other liabilities	12.91	1.39
Increase/(decrease) in other financial liabilities	76.21	23.45
Increase/(decrease) in provisions	(13.31)	(157.67)
Cash generated from operating activities	5,339.43	467.67
Income tax paid (net of refunds)	(521.10)	(413.01)
Net cash flow from operating activities	4,818.33	54.66
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work in progress, capital advances net of capital creditors	(4,614.78)	(2,924.55)
Proceeds from sale of property, plant and equipment	26.98	34.23
Initial direct cost incurred for Right to use asset	(26.95)	-
Corporate loan given	-	(1,000.00)
Fixed deposits made during the year	(5,680.00)	(7,164.00)
Fixed deposits matured during the year	6,489.00	10,270.00
Dividend received	87.24	57.00
Purchase of current investments	(141.25)	-
Sale of current investments	42.26	-
Interest income received	360.41	358.89
Net cash from/(used in) investing activities	(3,457.09)	(368.43)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/ (Repayments) from borrowings	(13.35)	198.00
Dividend paid on equity shares	(147.03)	(58.71)
Repayment of principal lease payment	(166.43)	(52.21)
Repayment of interest on lease liability	(198.23)	(69.80)
Repayment of interest on borrowings	(17.70)	-
Other finance cost paid	(2.81)	(2.07)
Net cash used in financing activities	(545.55)	15.21
Net increase in cash and cash equivalents (A+B+C)	815.69	(298.55)
Cash and cash equivalents at the beginning of the year	91.18	389.73
Cash and cash equivalents at the end of the year	906.87	91.18
Components of cash and cash equivalents		
Cash and cash equivalents		
Balances with banks:		
Current accounts	55.37	89.91
Fixed deposits account with a original maturity of less than three months	850.00	-
Cash on hand	1.50	1.27
Net Cash and cash equivalents as at 31st March, 2023	906.87	91.18

Note: 1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind As) 7 statement of cash flows.

Note: 2. refer note no. 23C for the changes in financing liabilities arising from financing activities

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

For **S S Kothari Mehta & Company**
Chartered accountants
ICAI Registration No. 000756N

Rohit Relan
Co-Chairman & Director
Din: 00257572

Pranav Relan
Whole Time Director
Din: 07177944

Neeraj Bansal
Partner
Membership no. 095960

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director And Company Secretary
Din: 02154950

Place : Delhi
Date : May 29, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

A Equity Share Capital (Refer note 16)

(Rs. in lakhs, except as otherwise stated)

	Nos.	Amount
As at 1st April, 2021	5,946,326	594.63
Changes in equity share capital due to prior period error	-	-
Balance as at 1st April, 2021	5,946,326	594.63
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2022	5,946,326	594.63
Changes in equity share capital due to prior period error	-	-
Balance as at 31st March, 2022	5,946,326	594.63
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2023	5,946,326	594.63

B Other Equity (Refer note 17)

	Reserves & Surplus			Total
	Capital Reserve	Retained Earnings	Remeasurement gain/(loss) on defined benefit plans	
As at 1st April, 2021	12,525.56	860.72	(19.48)	13,366.80
Changes in other equity due to prior period error	-	-	-	-
Balance as at 1st April, 2021	12,525.56	860.72	(19.48)	13,366.80
Total Comprehensive Income for the year	-	1,079.62	22.55	1,102.17
Transactions with owners in their capacity as owners				
Dividend paid during the year	-	(59.46)	-	(59.46)
Balance as at 31st March, 2022	12,525.56	1,880.88	3.07	14,409.51
Changes in equity share capital due to prior period error	-	-	-	-
Balance as at 31st March, 2022	12,525.56	1,880.88	3.07	14,409.51
Total Comprehensive Income for the current year	-	2,135.79	5.44	2,141.23
Transactions with owners in their capacity as owners				
Dividend paid during the year	-	(148.66)	-	(148.66)
As at 31st March, 2023	12,525.56	3,868.01	8.51	16,402.08
Summary of significant accounting policies	2			
Contingent liabilities and commitments	27			
Other notes to accounts	37			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

For **S S Kothari Mehta & Company**
Chartered accountants
ICAI Registration No. 000756N

Rohit Relan
Co-Chairman & Director
Din: 00257572

Pranav Relan
Whole Time Director
Din: 07177944

Neeraj Bansal
Partner
Membership no. 095960

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director And Company Secretary
Din: 02154950

Place : Delhi
Date : May 29, 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2022

1 Corporate Information

NDR Auto Components Limited ('the company') is a public limited company domiciled in India and incorporated on March 19, 2019 under the provisions of Companies Act, 2013 having its registered office at Level-5, Regus Caddie Commercial Tower, Hospitality District Aerocity, IGI Airport, New Delhi 110037. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange Limited. The Company is primarily engaged in the manufacturing, fabricating and assembling of every kind of automotive components including seats, spare parts and components for the seats and to deal in each and every kind of activity associated with the manufacture and trading of any kind of components, whether directly or indirectly or whether in India or abroad.

2 Basis of preparation of Financial statements

2.1 Statement of Compliance:

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Rules, 2016 and relevant amendment rules thereafter.

The financial statements were authorized by board of directors for issue in accordance with resolution dated 29th May, 2023

2.2 Basis of preparation and presentation:

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities (including derivative instruments) and net defined benefits (assets)/liability which are measured at fair value and fair value of the plan assets less present value of defined benefits obligations respectively at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Financial statements are presented in INR and all values are rounded to nearest lakhs (INR 00,000) except when otherwise stated.

The principal accounting policies are set out below.

2.3 Use of estimates and judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements:

- useful life of Property, plant and equipment
- useful life of Intangible assets
- provisions and contingent liabilities
- income taxes
- lease classification and judgement regarding whether an arrangement contain a lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of causing a material adjustment to the carrying amount 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 the future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- measurement of defined benefit obligations: key actuarial assumptions
- recognition and measurement of provision for warranties, provision for litigations and contingent liabilities: key assumptions about the likelihood and magnitude of an outflow of resources
- the liability for site restoration is measured on the basis of present estimated cost to decommission the asset, current inflation rate and discount rate.

2.4 Measurement of fair values:

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. The directors are responsible for overseeing all significant fair value measurements, including Level 3 fair values. Directors regularly reviews significant unobservable inputs and valuation adjustments.

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 and 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)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

3 Summary of Significant accounting policies

3.1 Property, Plant and Equipment (PPE):

Items of PPE are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, if any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress includes cost of property, plant and equipment (including related expenditure) under installation/ under development as at the balance sheet date.

An items of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continuous use of assets. Any gain or loss on disposal of an item of property, plant and equipment determined as the difference between the sale proceeds and the carrying amount of assets are recognised in profit or loss.

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

Depreciation: Depreciation is provided using the straight line method based on useful life of the assets as indicated in Schedule II of the Companies Act, 2013 and after retaining the residual value of 5% of the original cost of the asset in the said Schedule except in respect of the plant and machinery and electrical fittings. Upto March 31st 2022, Company used to follow written down value method for providing depreciation.

- i) Plant and machinery and electrical fittings:

Assets	Estimated useful life (years)	Useful life as per Companies Act, 2013 (years)
Plant & Machinery-Trollies	5	15
Plant & Machinery-Tools & Dies	10	15
Plant & Machinery- Others	20	15
Electrical Fittings	15	10

ii) Other assets:

Nature	Estimated useful life (years)	Useful life as per Companies Act, 2013 (years)
Furniture and Fixtures	10	10
Vehicles	8	8
Office Equipment	5	5
Computers	3 and 6	3 and 6
Building	30	30

Electrical fittings and plant & machinery has been depreciated over useful life different from life specified in Schedule II of Companies Act, 2013 based on the technical estimates made by the management, it believes that the useful lives as given above represent the period over which the assets are expected to be used.

The residual value, useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Assets purchased during the period costing ₹ 5,000 or less are depreciated at the rate of 100%

3.2 Intangible assets:

Intangible assets comprise of computer software (which does not form an integral part of related hardware). Computer software, which is acquired separately, is recognized initially at cost. Following initial recognition principle, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets under development include cost of assets under installation/under development as at the balance sheet date.

Amortisation method and useful lives: Intangible assets are amortized on a straight line basis over the estimated life of three years.

3.3 Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial 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 disposal. 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.

3.4 Leases:

Determining whether arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At the inception of a contract, the company assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Company's lease asset classes primarily consist of leases for land and buildings. The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated.

Company as a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the

underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Asset	Useful life
Leasehold improvements	Over the leasehold period

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. Refer to the accounting policies in section (Impairment of non financial assets).

Lease payments

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.5 Foreign currencies:

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (Rs.) 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.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate prevailing on the date when the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on settlement or restatement of monetary items are recognised in statement of profit or loss in the period in which they arise.

3.6 Inventories:**Basis of valuation**

Inventories are measured at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Method of valuation

Cost of raw materials: Cost includes purchase price (excluding taxes which are subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, first-in-first-out method (FIFO) is used.

Cost of finished goods and work in progress are determined on FIFO basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Stock in Transit is valued at lower of cost or net realizable value. Scrap is valued at estimated net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

3.7 Employee 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.

Post-Employment Benefits**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 and employee state insurance are a defined contribution scheme and contributions paid/payable towards these funds are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plan

The Company has Defined benefits plans namely Gratuity for employees. The gratuity fund are recognised by the income tax authorities and are administered through Company's trusts where a policy with 'Life Insurance Corporation of India' has been taken to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the period end and the balance of funds with Life Insurance Corporation of India is provided for as liability in the books.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other Long Term Employee Benefits**a) Gratuity**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is maintained with Life insurance Corporation. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Company Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

1. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
2. Net interest expense or income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

b) Provident fund

Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds become due. The Company has no obligation other than contribution payable to these funds.

c) Compensated Absences

Accumulated leaves which are expected to be utilized within next 12 months are treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharged by the year end.

The Company treats accumulated leaves to be carried forward beyond 12 months as long term employee benefits for measurement purpose, such long term compensated absence are provided for based on actuarial valuation which is done as per projected unit credit method at year end.

d) Voluntary retirement

Expenses incurred on voluntary retirement of employees are charged off to the Statement of Profit & Loss in the year of occurrence.

3.8 Provisions, Contingent liabilities and contingent assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Warranties: The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise. In addition, specific provision is also made against customer claims for manufacturing.

Site restoration (decommissioning liability): The Company records a provision for site restoration costs to be incurred for the restoration of leasehold land at the end of the lease period. The provision is measured at the present value of the best estimate of the expected costs to settle the obligation and recognised as part of the cost of property, plant and equipment/ right-of-use assets. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the costs of the asset and site restoration

obligation.

Litigations: Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.9 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial asset and financial liabilities are initially measured at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(a) Financial Assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

- Cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Equity investment in associates and joint ventures

Investments representing equity interest in associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following :

- financial assets measured at amortised cost; e.g. security deposits, trade receivables, bank balance, other financial assets etc.
- financial assets measured at fair value through other comprehensive income
Expected credit loss are measured through a loss allowance at an amount equal to:
 - the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
 - life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

A financial asset is derecognised only when

- The right to receive the cash flows from the asset has expired or,
- The Company has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship.

Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

(b) Financial liabilities and equity instruments

Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3.10 Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

3.11 Revenue recognition and presentation:

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in a contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the Government). A receivable is recognized upon satisfaction of performance obligations as per the contracts.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Use of significant judgements in Revenue Recognition

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts, price concessions, incentives etc. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The contracts for the sale of goods provide price revision receivable from/payable to customers on account of change of commodity prices/purchase price and these prices escalations and relaxations give rise to variable consideration. Contract revenue includes price revision received/receivable from customers and similarly, price revision for material purchased or payable to vendors has also been included in purchases.

Other Revenue

Dividend income is recognized when the right to receive payment is established.

Interest income from a financial assets are recognized using effective interest rate method.

Claims receivables on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.12 Borrowing costs:

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to the statement of Profit & Loss on the basis of effective interest rate. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments throughout the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

3.13 Operating segment:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's CODM to make decisions about resources to be allocated to the segments and assess their performance.

The operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the Company's CODM.

3.14 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.15 Earnings per share (EPS):

Basic earnings per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period end, except where the results would be anti-dilutive.

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendments Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements	This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.
Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors	The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
Ind AS 12, Income Taxes	This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2023
5(i) a) Property Plant & Equipment: 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Depreciation/ Impairment			Net Carrying Value		
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year*	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Land Free Hold	752.84	1,791.58	-	2,544.42	-	-	-	2,544.42	752.84
Buildings	1,651.67	119.87	-	1,771.54	728.14	52.77	-	780.91	923.53
Plant and Equipment**	3,871.27	5,037.90	388.28	8,520.89	2,616.12	455.58	286.66	2,785.04	1,255.15
Furniture and Fixtures	21.15	34.48	-	55.63	13.29	4.63	-	17.92	7.86
Vehicles	281.66	-	-	281.66	5.23	32.87	-	38.10	276.43
Office equipment	109.62	44.51	0.37	153.76	69.04	8.94	0.33	77.65	40.58
Computers	61.43	32.73	1.27	92.89	24.19	16.10	1.12	39.17	37.24
Electrical Fittings	554.68	300.06	16.36	838.38	301.36	30.07	11.69	319.74	253.32
Total	7,304.32	7,361.13	406.28	14,259.17	3,757.37	600.96	299.80	4,058.53	3,546.95

*During the quarter ended on 30th September 2022, considering the expected pattern of consumption of the future economic benefits embodied in the assets, the Company has changed its method of depreciation of property plant and equipment from written down value to straight line prospectively w.e.f. 1st April, 2022 as per applicable accounting standard. By this change in accounting estimate, the profit of the Company during the period ended on 30th September 2022 increased by Rs. 154.20 lakhs.

**refer note no. 5(iii) note 1. and note no. 37(j)

b) Property Plant & Equipment: 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Depreciation/ Impairment			Net Carrying Value		
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Land Free Hold	752.84	-	-	752.84	-	-	-	752.84	752.84
Buildings	1,626.51	40.41	15.25	1,651.67	640.51	94.28	6.65	728.14	986.00
Plant and Equipment	4,007.82	230.51	367.06	3,871.27	2,464.60	439.98	288.46	2,616.12	1,543.22
Furniture and Fixtures	62.75	0.32	41.92	21.15	40.35	4.43	31.49	13.29	22.40
Vehicles	29.37	278.55	26.26	281.66	24.32	2.93	22.02	5.23	5.05
Office equipment	133.73	1.52	25.63	109.62	81.27	11.12	23.35	69.04	52.46
Computers	28.41	36.54	3.52	61.43	15.25	11.72	2.78	24.19	13.16
Electrical Fittings	541.95	36.44	23.71	554.68	266.03	54.14	18.81	301.36	275.92
Total	7,183.38	624.29	503.35	7,304.32	3,532.33	618.59	393.55	3,757.37	3,651.05

Note: Refer note no. 2.3 on use of estimates and judgements

5(ii) a) Other intangible assets: 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Amortisation for the year	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Intangible Assets								
Software	24.46	14.78	-	39.24	8.03	-	17.74	14.75
Total	24.46	14.78	-	39.24	8.03	-	17.74	14.75

b) Other intangible assets: 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Amortisation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Intangible Assets								
Software	7.26	19.10	1.90	24.46	7.71	1.90	9.71	3.36
Total	7.26	19.10	1.90	24.46	7.71	1.90	9.71	3.36

Note: Refer note no. 2.3 on use of estimates and judgements

5(iii) a) Right-of-use assets 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Amortisation for the year	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Buildings	1,240.76	2,282.27	-	3,523.03	315.74	-	396.98	1,159.52
Total	1,240.76	2,282.27	-	3,523.03	315.74	-	396.98	1,159.52

b) Right-of-use assets 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Amortisation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Buildings	459.15	1,240.76	459.15	1,240.76	106.75	34.03	81.24	450.64
Total	459.15	1,240.76	459.15	1,240.76	106.75	34.03	81.24	450.64

Note: 1. During the year, out of amortisation of right-of-use asset of Rs. 315.74 lakhs, Rs. 57.11 lakhs are capitalised to plant and equipment on account of pre operative expenses and balance of Rs. 258.63 lakhs are charged to profit and loss.

Note: 2. The Company has discontinued a lease related to buildings vacated during the previous year 2021-22. Consequently the Company had reversed ROU of Rs. 425.12 lakhs and lease liability of Rs. 430.71 lakhs and security deposit by Rs.7.80 lakhs, and recognised gain on termination of Rs. 13.39 lakhs (Refer Note 29 & 37).

Note: 3. Refer note no. 2.3 on use of estimates and judgements

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

6 Capital work in progress

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Opening cost	3,211.73	322.42
Additions during the year	3,481.54	3,110.54
Deduction and adjustment during the year	(5,354.33)	(221.23)
	1,338.94	3,211.73

Capital work in progress (CWIP) ageing schedule

(Rs. in lakhs, except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Less than 1 year	1,083.72	2935.41
1-2 years	255.22	276.32
Total	1,338.94	3,211.73

7(i) Non-current Investments measured at cost

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
In equity shares of Associate		
Quoted, fully paid up		
9,000,000 Equity Shares (including 4,500,000 bonus shares) of ₹ 2/- each of Bharat Seats Ltd.	90.00	90.00
	90.00	90.00
In equity shares of Joint Ventures		
Unquoted, fully paid up		
5,000 Equity shares of ₹ 10/- each of Toyota Boshoku Relan India Pvt. Ltd.	0.50	0.50
Less: Impairment in value of investment	(0.50)	(0.50)
	-	-
750,000 Equity shares of ₹ 10/- each of Toyo Sharda India Pvt. Ltd.	75.00	75.00
	75.00	75.00
	165.00	165.00

7(ii) Current Investments

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
In equity shares of Other entities		
Quoted, fully paid up		
Investment in other equity instruments*	90.31	-
	90.31	-
* Invested through portfolio management services (PMS)		
Aggregate value of quoted investments	180.31	90.00
Aggregate value of unquoted investments	75.00	75.00
Market value of quoted investments	7,397.41	6,007.50
Aggregate provision for diminution in value of investments	0.50	0.50

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

8(i) Non-current financial assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans:		
Corporate loan given	1,000.00	-
	1,000.00	-
Others		
Security deposits	179.09	147.06
	1,179.09	147.06

8(ii) Current financial assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans:		
Corporate Loan	-	1,000.00
Others:		
Security Deposits	-	0.31
Interest accrued but not due on fixed deposits with bank	131.27	156.90
	131.27	1,157.21

a) Details of Loans and advance given to related parties, promoters, directors, KMPs

Type of Borrower	As at 31st March, 2023	
	Amount of loans or advances	% to the total loans and advances in the nature of loans
Related Parties - Bharat Seats Limited (refer note no. 37(d))	1,000.00	100%
Total	1,000.00	100%

Type of Borrower	As at 31st March 2022	
	Amount of loans or advances	% to the total loans and advances in the nature of loans
Related Parties - Bharat Seats Limited (refer note no. 37(d))	1,000.00	100%
Total	1,000.00	100%

b) Information on details of loans under section 186(4) of the Companies Act

Particulars	Purpose of the loan given	Outstanding as at 31st March 2023	Maximum Amount Outstanding during 2022-23
Inter Corporate Loan (Including Interest)			
Bharat Seats Limited	General business purpose	1,000.00	1,000.00

Particulars	Purpose of the loan given	Outstanding as at 31st March 2022	Maximum Amount Outstanding during 2021-22
Inter Corporate Loan (Including Interest)			
Bharat Seats Limited	General business purpose	1,000.00	1,000.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

9 Non-current tax assets (net) (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Advance Tax (net of provisions and tax deducted at source)	-	14.93
	-	14.93

10 Other non current assets (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Capital Advance	359.95	27.10
	359.95	27.10

11 Inventories (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Raw materials and components	3,478.58	1,798.88
Work-in-progress	76.97	60.57
Finished goods	231.35	118.15
Stores and spares	130.75	128.35
Scrap materials	13.02	20.36
Goods in transit (raw material)	3.75	-
	3,934.42	2,126.31

12 Trade receivables (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured)		
Trade receivable- considered good	3,110.06	3,045.95
Trade receivable- considered doubtful	-	-
	3,110.06	3,045.95

Note:

- a) Trade receivables are not interest bearing. Credit period generally falls in the range of 30 to 60 days.
- b) Due from related parties Rs. 1109.58 lakhs (31st March 2022: Rs. 2870.75 lakhs) (refer note 37 (d)).

(Rs. in lakhs, except as otherwise stated)

Ageing of trade receivables	As at 31st March, 2023	As at 31st March 2022
Undisputed Trade Receivable - Considered good		
current but not due	3,048.74	2,473.25
less than 6 months past due	61.16	572.65
6 months - 1 year past due	0.04	0.05
1 year -2 year past due	0.12	-
	3,110.06	3,045.95

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

13 Cash and cash equivalents

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Balance with banks:		
Current accounts	55.37	89.91
Cash on hand	1.50	1.27
Fixed deposits account with an original maturity of less than three months	850.00	-
	906.87	91.18

Note: There are no restrictions with regard to cash and cash equivalents at the end of the current and previous year.

14 Other bank balances

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Fixed deposits account with an original maturity of more than twelve months but remaining maturity less than twelve months	4,244.00	5,053.00
Unclaimed dividend accounts	2.38	0.75
	4,246.38	5,053.75

15 Other current assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Advances given to suppliers	127.74	872.69
Balance with statutory / government authorities	539.79	66.11
Prepaid expenses	21.77	14.13
Other Receivable	0.95	-
	690.25	952.93

16 Equity Share Capital

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(a) Equity Share Capital		
Authorised		
6,000,000 equity shares of Rs. 10 each	600.00	600.00
Issued ,subscribed & fully paid-up		
5,946,326 equity shares of Rs. 10 each	594.63	594.63

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March, 2023		As at 31st March 2022	
	No. of shares	Amount in lakhs	No. of shares	Amount in lakhs
At the beginning of the year	5,946,326	594.63	5,946,326	594.63
Add: Equity shares issued	-	-	-	-
	5,946,326	594.63	5,946,326	594.63

(c) Terms/rights attached to equity shares

- (i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the 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 any of the 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.
- (ii) During the period, no interim dividend has been recognized as distributions to equity shareholders.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

- (d) **Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):**

(Rs. in lakhs, except as otherwise stated)

Name of Shareholders	As at 31st March, 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rohit Relan	2,864,855	48.18%	3,570,175	60.04%
Ritu Relan	744,646	12.52%	744,646	12.52%
	3,609,501		4,314,821	

- (e) **Details of Shares held by promoters:**

As at 31st March, 2023

Name of Promoter	No. of Shares	% of total shares	% change during the year
Rohit Relan	2,864,855	48.18%	19.76%
Ritu Relan	744,646	12.52%	0.00%
Rishabh Relan	244,868	4.12%	2552.10%
Pranav Relan	244,868	4.12%	2528.75%
Ayush Relan	244,868	4.12%	2180.81%
Indira Chaudhary	53,037	0.89%	0.00%
	4,397,142	73.95%	

As at 31st March 2022 "

Name of Promoter	No. of Shares	% of total shares	% change during the year
Rohit Relan	3,570,175	60.04%	0.00%
Ritu Relan	744,646	12.52%	0.04%
Rishabh Relan	9,233	0.16%	0.02%
Pranav Relan	9,315	0.16%	0.02%
Ayush Relan	10,736	0.18%	0.02%
Indira Chaudhary	53,037	0.89%	0.00%
	4,397,142	73.95%	

17 Other equity

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
a) Capital Reserve		
Balance as at the beginning of the year	12,525.56	12,525.56
Add : Movement during the period	-	-
	12,525.56	12,525.56
(b) Retained earnings		
Balance as at the beginning of the year	1,883.95	841.24
Net profit for the year	2,135.79	1,079.62
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post employment benefit obligation, net of tax	5.44	22.55
Dividend		
Final dividend 31st March 2022 - Rs. 2.5/-per share (31st March, 2021 Re. 1 per share)	(148.66)	(59.46)
	3,876.52	1,883.95
	16,402.08	14,409.51

- Capital reserve arose form scheme of arrangement of demerger from Sharda Motor Industries Ltd.

- Retained earnings represent undistributed accumulated earnings of the Company as at the balance sheet date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

18 Borrowings

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Secured		
Vehicle loan	170.01	184.65
	170.01	184.65

The requisite particulars in respect of secured borrowings are as under:

	As at 31st March, 2023	As at 31st March 2022	Particulars of security / guarantees / terms of repayment / default
Loan - Daimler Financial Services India Pvt. Ltd.			Particulars of security
Balance outstanding	184.65	198.00	First pari passu charge over the asset financed
Current maturity	14.64	13.35	Terms of repayment
Non - current amount	170.01	184.65	Period of loan is 36 months, sanctioned on 17.03.2022, repayable in 35 equal monthly instalments of Rs. 2,59,230 commencing from 18.04.2022 and last instalment of Rs. 1,56,55,500 Rate of interest is 9.25% per annum.

19(i) Non Current lease liabilities

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Non Current lease liability (refer note no. 37(j))	2,946.92	1,026.99
	2,946.92	1,026.99

19(ii) Current lease liabilities

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Current lease liability (refer note no. 37(j))	240.71	71.74
	240.71	71.74

Note: Refer note no. 2.3 on use of estimates and judgements

20(i) Non- Current provisions

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Gratuity Payable (refer note 37(b))	8.79	32.07
Leave encashment (refer note 37(c))	24.95	-
	33.74	32.07

20(ii) Current provisions

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Gratuity Payable (refer note 37(b))	3.14	12.94
Leave encashment (refer note 37(c))	14.36	26.81
Provision for warranty	-	-
	17.50	39.75

Note: Refer note no. 2.3 on use of estimates and judgements

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Disclosure for warranty claim payable

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Opening Balance	-	175.77
Less: Paid during the year	-	0.46
Less: Amount reversed during the year	-	175.31
Closing Balance	-	-

21 Income Taxes

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022		
a) Income Tax expense in the statement of profit and loss comprises:				
Current income tax charge	610.90	405.44		
Deferred Tax				
Relating to origination and reversal of temporary differences	98.45	(70.40)		
Income tax expense reported in the statement of profit and loss	709.35	335.04		
b) Other comprehensive income				
Tax on Re-measurement gain/(losses) on defined benefit plans	1.83	7.59		
Income tax related to items recognised in OCI during the year	1.83	7.59		
c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:				
Accounting profit before tax	2,845.14	1,414.66		
Applicable tax rate	25.168%	25.168%		
Computed tax expense	716.06	356.04		
Property, Plant & Equipment	540.04	7.85		
Effect of expenses that are not deductible in determining taxable profit	(521.78)	(9.76)		
Effect of expenses that are exempt in determining taxable profit	(24.97)	(19.09)		
Income tax charged to Statement of Profit and loss at effective rate	709.35	335.04		
(d) Deferred tax relates to the following:				
	As at 31st March, 2023	As at 31st March 2022	for the year ended 31st March, 2023	for the year ended 31st March 2022
Deferred tax liabilities on account of :				
Right-of-use assets	786.76	291.83	494.93	153.87
Total deferred tax liabilities	786.76	291.83	494.93	153.87
Deferred tax assets on account of :				
Property, plant and equipment and Intangible assets	37.61	157.08	(119.47)	46.41
Lease liabilities	802.26	276.53	525.73	164.87
Expenses deductible in future years	35.87	45.65	(9.78)	5.40
Total deferred tax assets	875.74	479.26	396.48	216.68
Total deferred tax liabilities/ (asset) (net)	88.98	187.43	(98.45)	62.81

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(e) Reconciliation of deferred tax liabilities/ (asset) (net) (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Opening balance	(187.43)	(124.62)
Tax expense/ (credits) during the year recognised in Statement to profit and loss	98.45	(70.40)
Tax expense /(credits) during the year recognised in OCI	-	7.59
Closing balance as at 31st March	(88.98)	(187.43)

22 Short Term Borrowings (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Secured		
Vehicle loan- current maturities of long term borrowing (refer note 18)	14.64	13.35
	14.64	13.35

23 Trade payables (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Dues of micro and small enterprises	252.48	170.39
Dues of other than micro and small enterprises	7,166.22	3,899.41
	7,418.70	4,069.80

* Trade Payables include due to related parties Rs. Nil(31st March 2022: Re 0.47 lakh)(refer note no. 37(d))

* Trade Payables are unsecured and usually paid within 60 days of recognition.

* Trade Payables are usually non-interest bearing.

A) Disclosure under MSMED Act

Information as required to be furnished as per section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for year ended 31st March, 2023 is given below. This information has been determined to the extent such parties (micro enterprises and small enterprises) have been identified on the basis of information available with the Company.

	As at 31st March, 2023	As at 31st March 2022
i) Principal amount remaining unpaid to any supplier covered under MSMED Act (refer note no.23)	252.48	170.39
ii) Interest due remaining unpaid to any supplier covered under MSMED Act	Nil	Nil
iii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	1.00
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

B) Ageing of trade payables

	As at 31st March, 2023		As at 31st March 2022	
	MSME	Other than MSME	MSME	Other than MSME
less than 1 year	252.48	7,154.85	170.39	3,876.74
1-2 years	-	11.37	-	5.82
2-3 years	-	-	-	3.38
more than 3 years	-	-	-	13.47
	252.48	7,166.22	170.39	3,899.41

C) Change in liabilities arising from financing activities (Rs. in lakhs, except as otherwise stated)

	As at 31st March 2022	Cash flows	Others	As at 31st March, 2023
Lease Liability	1,098.73	(364.66)	2,453.56	3,187.63
Borrowings	198.00	(13.35)	-	184.65
Other financing liability	-	(167.54)	167.54	-
Total	1,296.73	(545.55)	2,621.10	3,372.28

	As at 31st March 2021	Cash flows	Others	As at 31st March 2022
Lease Liability	443.64	(122.01)	777.10	1,098.73
Borrowings	-	198.00	-	198.00
Other financing liability	-	(60.78)	60.78	-
Total	443.64	15.21	837.88	1,296.73

24 Other financial liabilities (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Interest accrued but not due	0.61	0.66
Unpaid dividends	2.38	0.75
Creditors for capital goods	1,398.37	274.30
Employees related dues	221.06	144.85
	1,622.42	420.56

25 Other current liabilities (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Statutory dues payable	48.66	35.59
Advance from customers	3.00	3.16
	51.66	38.75

26 Current Tax liability (net) (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Income tax payable (net of advance tax and tax deducted at source)	76.70	-
	76.70	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

27 Contingent liabilities & commitments

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(A) Contingent liabilities (to the extent not provided for)		
Claims against the company not acknowledged as debt		
i) Labour court matter	-	0.71
ii) Civil case(Pathredi)	3.59	3.59
	3.59	4.30
(B) Commitments		
Estimated amount of contracts remaining to be executed :		
Capital commitments (net of advance)	165.53	224.68
	165.53	224.68

Note: Refer note no. 2.3 on use of estimates and judgements

28 Revenue from operations

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Revenue from contract with Customers		
a) Sale of products	38,754.42	22,950.02
b) Other operating revenues		
Scrap sales	524.04	304.87
Revenue from operations (a+b)	39,278.46	23,254.89

28.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue form contracts with customers:

Types of goods		
Trims	18,122.68	12,077.73
Frames	20,631.74	10,872.29
	38,754.42	22,950.02
Revenue from contracts with customers disaggregated based on geographical area		
India	38,754.42	22,950.02
Outside India	-	-
Total revenue from contracts with customers	38,754.42	22,950.02
Timing of revenue recognition		
Goods transferred at a point in time	38,754.42	22,950.02
Services transferred over time	-	-
Total revenue from contracts with customers	38,754.42	22,950.02

29 Other income

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Interest income		
Fixed deposit with Banks	262.94	314.40
Corporate loan	71.84	61.86
Others	8.64	6.24

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Dividend income		
Dividend income from Non-current investment	87.00	57.00
Dividend income from current investment	0.24	-
Other non-operating income	-	-
Gain on disposal of property, plant and equipments	3.57	5.47
Foreign exchange gain (net)	-	4.91
Gain on termination of right of use asset	-	13.39
Sundry old liabilities/ excess provision written back	171.74	258.84
Miscellaneous Income	112.39	104.68
	718.36	826.79
30 Cost of materials consumed	(Rs. in lakhs, except as otherwise stated)	
	Year Ended 31st March, 2023	Year Ended 31st March 2022
Inventory at the beginning of the year	1,798.88	977.50
Add: Purchases during the year	31,491.93	18,544.83
Less: Balance of raw material at the end of the year	3,482.33	1,798.88
	29,808.48	17,723.45
31 Changes in inventories of finished goods and work-in-progress	(Rs. in lakhs, except as otherwise stated)	
	Year Ended 31st March, 2023	Year Ended 31st March 2022
Inventory at the beginning of the year		
Finished goods	118.15	105.83
Work in progress	60.57	36.98
Scrap materials	20.36	11.50
	199.08	154.31
Inventory at the end of the year		
Finished goods	231.35	118.15
Work-in-progress	76.97	60.57
Scrap materials	13.02	20.36
	321.34	199.08
Changes in inventories of finished goods and work-in-progress {(Increase) / Decrease}	(122.26)	(44.77)
32 Employee benefits expense	(Rs. in lakhs, except as otherwise stated)	
	Year Ended 31st March, 2023	Year Ended 31st March 2022
Salaries, wages, bonus and other benefits	978.19	783.52
Contributions to provident and other funds	57.55	30.27
Gratuity expense (refer note No. 37 (b))	14.18	13.19
Staff welfare expenses	189.12	87.06
	1,239.04	914.04

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

33 Finance costs

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Interest on debts & borrowings	17.65	0.66
Interest on others	2.05	0.14
Interest on MSME suppliers	-	1.00
Interest on lease liability	158.22	69.80
Bank charges	0.76	0.93
	178.68	72.53

34 Depreciation and amortization expenses

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Depreciation of tangible assets (refer note 5(i))	600.97	618.59
Amortization on right-of-use assets (refer note 5(iii))	258.63	106.75
Amortization of intangible assets (refer note 5(ii))	8.03	7.71
	867.63	733.05

35 Other expenses

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
Power and fuel	329.56	239.45
Rent, rates & taxes	6.31	29.94
Repair and maintenance:		
Buildings	29.74	18.29
Plant and machinery	313.60	324.30
Others	21.00	8.04
Insurance	13.52	19.28
Loss on sale of property, plant and equipments	83.06	81.03
Consumption of stores and spares	232.38	145.00
Payment to Auditors		
As Auditors:		
Audit Fee	16.00	15.15
Tax Audit Fee	1.00	1.00
For other services	1.00	-
Reimbursement of expenses	-	0.85
Freight outward	233.36	120.10
Contribution towards corporate social responsibility (CSR) (refer note no. 37 (f))	15.00	9.00
Factory expenses	3,324.41	2,002.66
Legal and professional expenses	142.15	83.51
Foreign exchange loss (net)	0.25	-
Loss on sale/ fair valuation on investment (net)	8.68	-
Impairment loss - investment in joint venture	-	0.50
Director sitting fees	24.00	28.40
Listing expense	5.60	5.40
Travelling and conveyance	285.31	84.04
Miscellaneous expenses	94.18	52.78
	5,180.11	3,268.72

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

36 Earnings per equity shares

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
a) Basic Earnings per share		
Numerator for earnings per share		
Profit after taxation	2,135.79	1,079.62
Denominator for earnings per share		
Weighted number of equity shares outstanding during the year (Nos.)	5,946,326	5,946,326
Earnings per share- Basic (one equity share of Rs. 10/- each) Rs.	35.92	18.16
b) Diluted Earnings per share		
Numerator for earnings per share		
Profit after taxation	2,135.79	1,079.62
Denominator for earnings per share		
Weighted number of equity shares outstanding during the year (Nos.)	5,946,326	5,946,326
Earnings per share- Diluted (one equity share of Rs. 10/- each) Rs.	35.92	18.16

Note: There are no instruments issued by the Company which have effect of dilution of basic earnings per share.

37 Other Notes to Accounts

- a. Disclosures pursuant to Ind AS-19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) and the Companies (Indian Accounting Standards) Rules, 2016 and relevant amendment rules thereafter are given below :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(Rs. in lakhs except as otherwise stated)

Particulars	2022-23	2021-22
Provident fund/ other employees fund	57.55	30.27

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with the Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the other comprehensive income in the statement of the profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Net defined benefit obligation

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening defined benefit obligation	45.75	67.39
Current Service Cost	11.17	9.70
Interest Cost	3.07	4.23
Remeasurement (gains)/ losses	(5.47)	(30.14)
Benefits paid	(1.38)	(5.43)
Closing defined benefit obligation	53.14	45.75

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

ii) Changes in the fair value of plan assets are as follows: (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening fair value of plan assets	0.74	-
Interest income	0.05	0.05
Remeasurement gain /(loss): -Return on plan assets (expected amounts included in net interest expense)	1.80	-
Contributions from the employer	40.00	-
Benefits paid	(1.38)	0.69
Closing fair value of plan assets	41.21	0.74

iii) The amount included in the Balance Sheet (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Present value of defined benefit obligation	53.14	45.75
Fair value of plan assets	41.21	0.74
Amount recognised in Balance Sheet-Asset/ (Liability)	(11.93)	(45.01)

iv) Amount recognised in the statement of profit and loss (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Current service cost	11.17	9.70
Interest cost on benefit obligation	3.07	4.23
Interest income	(0.05)	(0.05)
Defined benefit cost recognised in statement of Profit or Loss as per actuarial certificate	14.19	13.88
Reversal of opening fund to reconcile the closing liability as per balance sheet	-	-
Closing fair value of the plan assets	-	(0.69)
Net defined benefit cost recognised in statement of Profit or Loss	14.19	13.19

v) Remeasurements- other comprehensive income (OCI) (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Return on plan assets (excluding amount included in net interest expense)	(1.80)	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(1.30)	(3.03)
Actuarial (gains)/ losses arising from experience adjustments	(4.17)	(27.11)
Defined benefit costs recognised in other comprehensive income	(7.27)	(30.14)

vi) The principal assumptions used in determining defined benefit obligation

Particulars	As at 31st March, 2023	As at 31st March 2022
Discount rate	7.20%	6.70%
Rate of increase in compensation	9.00%	9.00%
Average outstanding service of employees upto retirement (years)	23.73%	23.01%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

vii) A quantitative sensitivity analysis for significant assumption (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Change in discount rate		
Decrease in defined benefit obligation due to 1% increase in discount rate	(2.43)	(2.00)
Increase in defined benefit obligation due to 1% decrease in discount rate	2.66	2.19
Rate of salary escalation		
Increase in defined benefit obligation due to 1% increase in expected salary escalation rate	2.55	2.11
Decrease in defined benefit obligation due to 1% decrease in expected salary escalation rate	(2.39)	(1.97)
Change in defined benefit obligation due to 1% increase/ decrease in mortality rate, if all other assumptions remains constant is negligible		

viii) Maturity profile of defined benefit obligation (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Within next 12 months	7.76	7.53
Between 2 to 5 years	31.03	27.14
Above 5 years	41.00	30.91

ix) Enterprise best estimate of contribution during next year (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Enterprise best estimate of contribution during next year	13.98	13.68

x) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

xi) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

xii) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefits obligation as a result of reasonable changes in key assumption occurring at the end of the reporting period.

xiii) The plan assets are maintained with Life Insurance Corporation of India (LIC).

c. The Company has also provided for leave encashment which is unfunded.

The following table summarize the amount recognised as expense in the statement of profit or loss and the total outstanding balance of compensated leaves as at 31st March, 2023

Leave Encashment (Unfunded) (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Liability at the beginning of the year	26.81	16.47
Benefits paid during the year	(4.80)	(5.57)
Provided/(reversal) during the year	17.31	15.92
Liability at the end of the year	39.32	26.81

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

d) (i) Names of related parties and description of relationship:

S. no.	Names of parties	Nature of relationship
i)	Associate	Bharat Seats Limited
ii)	Joint Ventures	Toyo Sharda India Pvt. Ltd. Toyota Boshoku Relan India Pvt. Ltd.
iii)	Key management persons	Mr. Pranav Relan- Whole time director Mr. Ayush Relan - Whole time director Mr. Rohit Relan -Co. Chairman and director Mr. Sanjiv Kapur -Chairman and director Mr. Rishabh Relan - Director Mr. Rajat Bhandari-Whole time director and company secretary Mr. Vinod Kumar -Chief financial officer Mrs. Shyamla Khera -Director Mrs. Vanita Chhabra-Director Mrs. Deepa Gopalan Wadhwa -Director Ms. Nitasha Sinha -Company secretary upto 01/06/2021 Ms. Komal Jain -Company secretary w.e.f. 02/06/2021 upto 01/10/2021
iv)	Enterprises over which key managerial personnel are able to exercise significant influence	Sharda Motor Industries Ltd.

d) (ii) Transactions with related parties

(Rs. in lakhs except as otherwise stated)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March 2022
i) Sale of products		
Associate		
Bharat Seats Ltd.	27,259.04	21,365.06
Joint Venture		
Toyo Sharda India Pvt. Ltd.	0.07	9.71
	27,259.11	21,374.77
ii) Purchases of material (including GST)		
Associate		
Bharat Seats Ltd.	114.97	37.07
Joint Venture		
Toyo Sharda India Pvt. Ltd.	1.24	0.73
	116.21	37.80
iii) Other Income:		
a) Interest Income:		
Associate		
Bharat Seats Ltd.	71.84	61.86
b) Dividend Income:		
Associate		
Bharat Seats Ltd.	72.00	45.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Particulars	Year Ended 31st March, 2023	Year Ended 31st March 2022
Joint Venture		
Toyo Sharda India Pvt. Ltd.	15.00	12.00
c) Misc. Income:		
Enterprises over which key managerial personnel are able to exercise significant influence		
Sharda Motor Industries Ltd.		
Misc. income (on account of gratuity)	45.98	-
	204.82	118.86
iv) Remuneration to Key Managerial Persons		
Pranav Relan		
-Short term employee benefits	61.95	56.32
-Post employment benefits	6.43	5.44
Ayush Relan		
-Short term employee benefits	60.87	55.34
-Post employment benefits	6.34	5.37
Rajat Bhandari		
-Short term employee benefits	74.51	60.51
-Post employment benefits	5.36	4.87
Vinod Kumar		
-Short term employee benefits	28.57	21.79
-Post employment benefits	1.91	1.55
Nitasha Sinha		
-Short term employee benefits	-	2.21
-Post employment benefits	-	0.09
Komal Jain		
-Short term employee benefits	-	1.93
-Post employment benefits	-	0.10
	245.94	215.52
v) Other Expenses :		
a) Freight Outward		
Associate		
Bharat seats Limited	18.60	16.94
b) Other expenses		
Associate		
Bharat seats Limited	114.43	0.30

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Particulars	Year Ended 31st March, 2023	Year Ended 31st March 2022
c) Director Sitting Fees		
Non Executive/ Independent directors	24.00	28.40
	157.03	45.64
vi) Other Financial Assets		
Corporate loan given		
Associate		
Bharat Seats Ltd.	-	1,000.00
	-	1,000.00
vii) Purchase of property plant and equipment		
Associate		
Bharat Seats Ltd.	104.08	127.79
Joint Venture		
Toyo Sharda India Pvt. Ltd.	-	0.81
	104.08	128.60
viii) Sale of property plant and equipment		
Associate		
Bharat Seats Ltd.	0.48	1.64
	0.48	1.64
ix) Purchase of Capital Work in Progress		
Associate		
Bharat Seats Ltd.	10.92	81.51
Joint Venture		
Toyo Sharda India Pvt. Ltd.	-	0.40
	10.92	81.91
x) Sale of Capital Work in Progress		
Associate		
Bharat Seats Ltd.	115.65	-
	115.65	-
xi) Payment of lease liabilities		
Associate		
Bharat Seats Ltd.	72.00	-
	72.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Closing Balances at the year end

(Rs. in lakhs except as otherwise stated)

i) Trade receivables		
Associate		
Bharat Seats Ltd.	1,109.58	2,870.75
	1,109.58	2,870.75
ii) Other financial assets		
Associate		
Bharat Seats Ltd.	1,000.00	1,000.00
	1,000.00	1,000.00
iii) Trade Payable		
Joint Venture		
Toyo Sharda India Pvt. Ltd.	-	0.47
	-	0.47

*The remuneration to the key management personnel does not include the provision made for leave benefits, as it has been determined on an actuarial basis for the Company as a whole.

Terms and Conditions of transactions with related parties

The transactions with 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 settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

e. Segment Information

- In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance, allocates resources based on the analysis of the various performance indicator of the Company as a single unit), the operations of the Company falls under manufacturing of auto component parts, which is considered to be the only business reportable segment. further, the Company operates only in one geographical segment - India. (Refer to note no. 28.1)
- Major Customer: Revenue from two customers of the Company's manufacturing business are Rs. 37982.87 lakhs (31st March 2022 Rs. 21,365.06 lakhs) which is more than 10 percent of the Company's total revenue. No other single customer contributed 10% or more to the Company's revenue during the period.

f. Expenditure on corporate social responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). The Company has contributed a sum of Rs. 15 lakhs (31st March, 2022: 9 lakhs) towards education . The same is debited to the Statement of Profit and Loss.

(Rs. In Lakhs except as otherwise stated)

Details of CSR Expenditure				As at 31st March, 2023	As at 31st March 2022
a)	Gross amount required to be spent by the Company during the year			14.32	8.72
b)	Amount approved by the Board to be spent during the year			15.00	9.00
c)	Amount spent during year	Amount spent		Total	
		2023	2022	2023	2022
	(i) Construction/ acquisition of any asset	-	-	-	-
	(ii) On purposes other than above	15.00	9.00	15.00	9.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

g. Financial instruments - fair values and risk management

i) Financial instruments by category and fair values

(Rs. in lakhs except as otherwise stated).

	As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investment in equity instrument (refer note no. 7(i))*	-	-	-
Investment in other equity instrument (refer note no. 7(ii))	90.31	-	-
Corporate loan given (refer note no. 8(i) &(ii))	-	-	1,000.00
Security deposits (refer note no. 8(i) &(ii))	-	-	179.09
Trade receivables (refer note no. 12)	-	-	3,110.06
Cash and cash equivalents (refer note no. 13)	-	-	906.87
Bank balances other than above (refer note no. 14)	-	-	4,246.38
Interest accrued on fixed deposits (refer note no. 8(ii))	-	-	131.27
Total	90.31	-	9,573.67
Financial liabilities			
Borrowings (refer note no. 18 & 22)	-	-	184.65
Lease liability (refer note no. 19(i) &(ii))	-	-	3,187.63
Trade payables (refer note no. 23)	-	-	7,418.70
Others financial liability(refer note no. 24)	-	-	1,622.42
Total	-	-	12,413.40
As at 31st March 2022			
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investment in equity instrument (refer note no. 7(i))*	-	-	-
Investment in other equity instrument (refer note no. 7(ii))	-	-	-
Corporate Loan given (refer note no. 8(i) &(ii))	-	-	1,000.00
Security deposits (refer note no. 8(i) &(ii))	-	-	147.37
Trade receivables (refer note no. 12)	-	-	3,045.95
Cash and cash equivalents (refer note no. 13)	-	-	91.18
Bank balances other than above (refer note no. 14)	-	-	5,053.75
Interest accrued on fixed deposits (refer note no. 8(ii))	-	-	156.90
Total	-	-	9,495.15
Financial liabilities			
Borrowings (refer note no. 18 & 22)	-	-	198.00
Lease liability (refer note no. 19(i) &(ii))	-	-	1,098.73
Trade payables (refer note no. 23)	-	-	4,069.80
Others financial liability(refer note no. 24)	-	-	420.56
Total	-	-	5,787.09

* Investment value excludes investment in associate of ₹ 90 lakhs and investment in joint ventures of ₹ 75 lakhs, which are shown at cost in balance sheet as per Ind AS 27 : Separate Financial Statements.

Note: The directors consider that the carrying amounts of investments in equity shares of others which have been recognised in the financial statements, as approximate their fair values.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

ii) **Financial assets and liabilities measured at fair value - recurring fair value measurements**

i) **Quantitative disclosures fair value measurement hierarchy for assets and liabilities:**

(Rs. In Lakhs except as otherwise stated)

	As at 31st March, 2023			
	Carrying Value	Level 1	Level 2	Level 3
Financial assets				
Assets carried at amortised cost for which fair values are disclosed				
Trade receivables	3,110.06	-	-	3,110.06
Cash and cash equivalents	906.87	-	906.87	-
Bank balances other than above	4,246.38	-	4,246.38	-
Investment in other equity instrument	90.31	90.31	-	-
Corporate loan given	1,000.00	-	-	1,000.00
Others financial assets	310.36	-	-	310.36
Financial liabilities				
Liabilities carried at amortised cost for which fair values are disclosed				
Borrowing	184.65	-	184.65	-
Lease Liability	3,187.63	-	-	3,187.63
Trade payables	7,418.70	-	-	7,418.70
Others financial liability	1,622.42	-	-	1,622.42
As at 31st March 2022				
	Carrying Value	Level 1	Level 2	Level 3
Financial assets				
Assets carried at amortised cost for which fair values are disclosed				
Trade receivables	3,045.95	-	-	3,045.95
Cash and cash equivalents	91.18	-	91.18	-
Bank balances other than above	5,053.75	-	5,053.75	-
Corporate loan given	1,000.00	-	-	1,000.00
Others financial assets	304.27	-	-	304.27
Financial liabilities				
Liabilities carried at amortised cost for which fair values are disclosed				
Borrowings	198.00	-	198.00	-
Lease Liability	1,098.73	-	-	1,098.73
Trade payables	4,069.80	-	-	4,069.80
Others financial liability	420.56	-	-	420.56

ii) **Measurement of fair value**

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- (i) Unquoted equity and other investments: Fair value of same has not been derived as in the opinion of directors the carrying amounts of these investments approximate their fair values.
- (ii) Fair value of trade receivables, other current financial assets, trade payables, other current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments.

III) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

h. Capital management

The Company's policy is to maintain a strong capital base so as to maintain confidence of investors, bankers, customers and vendors and to sustain future development of the business. The management monitors the return on capital and also monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total debts (including lease liability) less cash and cash equivalents. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows:

	March 31, 2023	March 31, 2022
Total Debt (refer note no. 18, 19(i), 19(ii) & 22)	3,372.28	1,296.73
Less: Cash and Cash equivalents (refer note no. 13)	906.87	91.18
Adjusted net debt	2,465.41	1,205.55
Total equity (refer note no. 16 & 17)	16,996.71	15,004.14
Equity & net debt	19,462.12	16,209.69
Adjusted net debt to equity ratio	0.13	0.07

i. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Risk management framework:

The Company's principal financial liabilities other than derivatives comprise trade and other payables, employees related payables, interest accrued, security deposit and others. 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 includes security deposits, trade receivables, cash and cash equivalents, deposits with banks, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company's senior level management assess these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

All derivative activities for risk management purposes are carried out in line with the policy duly approved by board of directors. The execution of the policy is done by treasury department which has appropriate skills, experience and supervision.

A. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates - will affect the Company's financial position or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Company.

B. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers, foreign exchange transactions, deposits with banks and other financial instruments. The carrying amount of financial assets represent the maximum credit risk exposure.

i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company primarily has the exposure from following type of customer:

- Original equipment manufacturers (OEMs)

Company has established a policy under which each new OEMs are analysed individually for creditworthiness before goods are sold to them. The Company's review includes due diligence by analysing financial statements, industry information, promoter's background and in some cases bank references. In case of sales, the Company has limited its credit exposure to OEMs and dealers by providing a maximum payment period up to 60 days.

The Company's expected probability of default is nil and all major payments are received on due dates without any significant delays.

The ageing analysis of trade receivables as of the reporting date is given in note no. 12

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables, loans and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties.

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

However, Company need not required to provide for any risk allowance on account of trade receivable being bad and not recoverable as the amount of outstanding pertaining to trade receivables which exceeds the credit period allowed by the Company is less than 2% of the total outstanding from them.

C. Liquidity risk

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

The Company's primary sources of liquidity include cash deposits, short term investments in mutual funds, borrowings, undrawn committed credit facilities and cash flow from operating activities. The Company seeks to increase income from its existing operations by maintaining quality standards for its goods and services while reducing the related costs and by controlling operating expenses.

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. However, material changes in the factors described above may adversely affect the Company's net cash flows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Exposure to liquidity risk:

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

March 31, 2023	Carrying Value	Contractual maturities		
		Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities				
Borrowings (including interest accrued but not due)*	185.26	31.11	185.07	-
Lease Liabilities*	3,187.63	483.87	2,192.19	1,633.87
Trade payables	7,418.70	7,418.70	-	-
Other Financial Liabilities	1,622.42	1,622.42	-	-
	12,414.01	9,556.10	2,377.26	1,633.87

March 31, 2022	Carrying Value	Contractual maturities		
		Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities				
Borrowings (including interest accrued but not due)*	198.66	31.11	216.18	-
Lease Liabilities*	1,098.73	156.00	684.45	693.68
Trade payables	4,069.80	4,069.80	-	-
Other Financial Liabilities	420.56	420.56	-	-
	5,787.75	4,677.47	900.63	693.68

*Carrying amount of borrowing is the sum of outstanding principal of loan (refer note no. 18 & 22) and interest accrued but not due (refer note no. 24). While contractual payment is the loan installments remaining to be paid as at reporting date. Carrying amount of lease liabilities is the discounted present value of principal of lease liabilities (refer note no. 19(i) & 19(ii)), while the contractual maturities represents the rental payments to be made over the remaining life of lease.

j. Lease

The Company has entered into leases for its commercial premises, duration of such leases is for 0-9 years. These lease agreements are normally renewed on expiry. At the date of commencement of the lease, the Company recognize lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The rental expense charged to statement of profit and loss is Rs. 6.17 lakhs (31st March 2022: 26.74 lakhs).

The weighted average incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application is 8.30%.

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

(Rs. in lakhs, except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening balance	1,098.72	443.64
Add: Creation of lease liability during the year	2,255.34	1,138.00
Less: Termination of lease liability during the year	-	430.71
Add: Accretion of interest	198.23	69.80
Less: Principal repayment of lease liability	166.43	52.21
Less: Payment of interest on lease liability	198.23	69.80

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Closing balance	3,187.63	1,098.72
Non - current lease liability (Refer note 19(i))	2,946.92	1026.99
Current lease liability (Refer note 19(ii))	240.71	71.74
Details of Interest expense capitalised and charged to the Statement of Profit & Loss		
Interest expense capitalised	40.01	-
Interest expense charged to the Statement of Profit & Loss	158.22	69.80

k. Disclosures of analytical ratios

Ratios	Numerator	Denominator	Year Ended 31st March, 2023	Year Ended 31st March 2022	Variance %age	Remarks
1. Current ratio (Times)	Current Assets	Current liabilities	1.39	2.67	-47.94	Decrease in current ratio due to increase in current liabilities on account of better credit terms negotiation leading to better operating cycle.
2. Debt Equity Ratio (Times)	Borrowings + lease liability	Equity	0.20	0.09	122.22	Debt has increased due to increase in lease liabilities on account of addition of new plants .
3. Debt Service Coverage Ratio (Times)	Earnings available for debt service ¹	interest cost + debt paid ²	8.24	15.89	-48.14	Debt has increased due to increase in lease liabilities on account of addition of new plants. However the corresponding earnings will increase from the next financial year.
4. Return on equity ratio	Profit after tax	Average Shareholder's Equity	13.35%	7.45%	79.19	Ratio has improved due to revenue growth with better operational efficiency.
5. Inventory turnover ratio	Revenue	Average inventory	12.96	13.82	-6.22	
6. Trade receivable turnover ratio	Revenue	Average trade receivable	12.76	7.55	69.01	Increase in ratio due to increase in sales.
7. Creditors turnover ratio	Credit purchase	Average trade payables	5.48	4.85	12.99	
8. Net Capital turnover ratio (Times)	Sales	Working capital	10.71	2.99	258.19	Revenue growth with higher efficiency on working capital improvement has resulted in an improvement in the ratio
9. Net profit	Profit after tax	Total sales	5.34%	4.48%	19.20	
10. Return on Capital employed	Earnings before interest and taxes	Net Capital employed	14.86	9.13	62.76	Increase in ratio due to revenue growth with better operational efficiency.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Ratios	Numerator	Denominator	Year Ended 31st March, 2023	Year Ended 31st March 2022	Variance %age	Remarks
11. Return on Investment	Income generated from investments	Average value of investments (at cost)	0.24	0.09	166.67	Increase in ratio due to appreciation in market value of investments

1. Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss/ (profit) on sale of fixed assets etc.
2. Debt includes lease liabilities

I. Dividend Paid and Proposed:

(Rs. in lakhs, except as otherwise stated)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Final dividend declared and paid during the year		
Final dividend for the year ended 31st March 2022	148.66	59.46
Rs. 2.5 per equity share (31st March, 2021 Re.1 per equity share)		
Total	148.66	59.46
Proposed dividend on Equity Shares		
Proposed Dividend for the year ended 31st March, 2023	297.32	148.66
Rs.5 per equity share (31st March, 2022 Rs. 2.5 per equity share)		
Total	297.32	148.66

- m. Subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, the board of directors has recommended issue of fully paid bonus share in ratio of 1:1, that is 1 equity share of Rs. 10 each for every 1 equity share of Rs. 10 each held by members as on the record date by capitalising such sums out of the free reserves and other permitted reserves of the Company. Consequent to the said issue of bonus shares, Issued, subscribed and paid up capital of the Company shall stand increased to a sum of Rs. 1,189.26 lakhs by capitalising a sum of Rs. 594.63 lakhs from free reserves and / or permitted reserves. In order to execute the bonus issue, the board has also recommended to increase the authorised share capital of the Company to Rs. 2,400.00 lakhs (2,40,00,000 equity shares of Rs. 10 each). In the event of approval by the Shareholders of the proposed Bonus issue, post adjusting for this Bonus issue, the basic and diluted earnings per equity share would have been Rs. 17.96 per share and Rs. 9.08 per share for the year ended 31 March 2023 and 31 March 2022 respectively.
- n. In view of the management, the current assets (financial & other) 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.
- o. **Events occurring after balance sheet date:**
There are no major events which has occurred after the balance sheet date.
- p. Note no. 1 to 37 pertaining to balance sheet and statement of profit and loss form an integral part of the financial statements.

As per our report of even date

For and on behalf of Board of Directors

For **S S Kothari Mehta & Company**
Chartered accountants
ICAI Registration No. 000756N

Rohit Relan
Co-Chairman & Director
Din: 00257572

Pranav Relan
Whole Time Director
Din: 07177944

Neeraj Bansal
Partner
Membership no. 095960

Vinod Kumar
Chief Financial Officer

Rajat Bhandari
Executive Director
And Company Secretary
Din: 02154950

Place : Delhi
Date : May 29, 2023

Independent Auditor’s Report

To The Members of NDR Auto Components Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NDR Auto Components Limited** (hereinafter referred to as the “Company”), its associate and joint ventures which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“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 other accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its associate and joint ventures as at March 31, 2023, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company, its associate and joint ventures in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated financial statements.

Material Uncertainty Related to Going Concern

In case of Toyota Boshoku Relan India Private Limited, a joint venture, audited by us, as stated in note no. 2.3 to the financial statements for the year ended March 31, 2023 of this joint venture, which indicates that the company was earlier exploring new business opportunities and now under active discussions with OEMs to start new business venture. In absence of any major business operations the company has incurred loss of Rs. 0.77 lakh during the year, and there is negative net worth of Rs. 21.64 lakhs and accumulated losses of Rs. 22.64 lakhs as at March 31, 2023. These indicates that a material uncertainty exists that may cast significant doubt on the company’s ability to continue as a going concern. However, considering the future business prospects the management is of the view that going concern basis of accounting is appropriate.

This matter was reported under heading “Material uncertainty related to going concern” in our Independent Auditor’s Report on the financial statements of this joint venture.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

In case of one associate namely Bharat Seats Limited (audited by other auditor), the following has been reported as key audit matter in their Independent Auditor’s Report on financial statements;

Key audit matters	How our audit addressed the key audit matter
(a) Revenue recognition including price variations (as described in note 27 of the financial statements)	
Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of price variations provided to the customer.	Our audit procedures included the following: <ul style="list-style-type: none"> Assessed the Company’s accounting policy for revenue recognition including the policy for recording price variations in terms of Ind AS 115.

Key audit matters	How our audit addressed the key audit matter
<p>The Company's business also requires passing on price variations to the customer for the sales made by the Company. The Company at the year end, has provided for such price variations to be passed on to the customer. The estimated price variations at the year-end is shown under note 27 to the financial statements.</p> <p>We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price variations to be recorded as at the year end.</p>	<ul style="list-style-type: none"> • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price variations, including design and implementation of controls, and tested the operating effectiveness of these controls. • Tested completeness and arithmetical accuracy of the data used in the computation of price variations. • Obtained and reviewed balance confirmation from customer to ensure the existence of trade receivables. • Tested, on sample basis, debit/ credit notes in respect of agreed price variations passed on to the customers. <p>Assessed the revenue-related disclosures included in Note 27 to the financial statements</p>

Information Other than the Consolidated 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 Annual Report, but does not include the consolidated financial statements and our independent auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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 regards.

Responsibility of Management and Those Charged with Governance for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company, its associate and joint ventures in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Board of Directors of the Company, its associate and joint ventures are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company, its associate and joint ventures are responsible for assessing the ability of the Company, its associate and joint ventures 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 management 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 Company, its associate and joint ventures are also responsible for the overseeing the financial reporting process of the Company, its associate and joint ventures.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, its associate and joint ventures, which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company, its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are 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, its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company, its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of one such entity included in the consolidated financial statements of which we are the independent auditor. For the other entities (one associate and one joint venture) included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters 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 Matters

- a. We did not audit the financial statements and other financial information, in respect of one associate company whose financial statements and financial information reflects share of total net profit after tax of Rs. 612.73 lakhs and share of total comprehensive income of Rs. 617.44 lakhs for the year ended March 31, 2023, as considered in these consolidated financial statements. These financial statements and other information have been audited by the other auditor whose independent auditor's report, financial statements and other information have been furnished to us by the management. And our opinion in so far as it relates to this associate is based solely on the report of the other auditor.
- b. We did not audit the financial statements and other financial information, in respect of one joint venture whose financial statements and financial information reflects share of total net profit after tax of Rs. 149.21 lakhs and share of total comprehensive income of Rs. 148.80 lakhs for the year ended March 31, 2023, as considered in these consolidated financial statements. These financial statements and other information have been audited by the other auditor whose independent auditor's report, financial statements and other information have been furnished to us by the management. And our opinion in so far as it relates to this joint venture is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
 - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Company and the operating effectiveness of such controls refer to our separate report in the "Annexure-A" to this report; which is based on independent auditor's reports of statutory auditors of the Company, its associate and one joint venture. However, not applicable in case of the one joint venture company namely Toyota Boshoku Relan India Private Limited incorporated in India;
 - f. On the basis of written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of Company, and on the basis of the independent auditor's reports of statutory auditors of the associate and joint ventures, which are companies incorporated in India, none of the directors of the Company, its associate and joint ventures is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act by the Company. With respect to the matter to be included in the Auditors' Report under Section 197(16), in respect of the joint ventures, since both the joint ventures are private limited companies, the provisions of section 197 of the Act are not applicable. And, in respect of one associate, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the consolidated financial statements disclosed the impact of pending litigation on its financial position of the Company, its associate and joint ventures. Refer Note No. 27 to the consolidated financial statements;
 - ii) the Company, its associate and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses therefore the Company, its associate and joint ventures has not made any provision as required under the applicable law or Indian accounting standards;
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, associate and one joint venture (Toyo Sharda India Private Limited) and there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the associate and one joint venture incorporated in India.
 - iv)
 - a) The respective management of the Company, associate and joint ventures have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, associate and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The respective management of the Company, associate and joint ventures have represented that, to the best of their knowledge and belief, no funds have been received by the Company, associate and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company, associate and joint ventures shall, whether, directly or indirectly, lend

or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
 - v) the dividend declared or paid during the year by the Company, associate and joint venture is in compliance with section 123 of the Companies Act, 2013.
 - vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company, its associate and joint ventures only w.e.f. April 1, 2023, reporting under this clause is not applicable.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its associate and joint ventures included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner

Membership No. 095960
UDIN: 23095960BGWQZW5818

Place : Delhi
Date : 29.05.2023

“Annexure – A” to the Independent Auditor’s Report to the members of NDR Auto Components Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (as amended) (“the Act”).

We have audited the internal financial controls over financial reporting of **NDR Auto Components Limited** (“the Company”) as at March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company, its associate and one joint venture audited by the other auditor, for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its associate and joint venture, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, its associate and joint venture 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. 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 the respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these consolidated 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. 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 over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A company’s internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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
- c) 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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, based on records, information, and explanations given to us, the Company, its associate and joint venture, have, in all material respects, an adequate internal financial controls over financial reporting with reference to these financial statements and the internal controls over financial reporting with reference to these financial statements are generally operating effectively as at March 31, 2023 based on the "internal control over financial reporting 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".

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to associate and joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner

Membership No. 095960
UDIN: 23095960BGWQZW5818

Place : Delhi
Date : 29.05.2023

NDR AUTO COMPONENTS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(Rs. in lakhs, except as otherwise stated)

	Notes	As at 31st March 2023	As at 31st March 2022
ASSETS			
I Non-current assets			
Property, plant and equipment	5(i)	10,200.64	3,546.95
Capital work in progress	6	1,338.94	3,211.73
Right of use assets	5(iii)	3,126.05	1,159.52
Other intangible assets	5(ii)	21.50	14.75
Financial assets			
(i) Investments	7(i)	4,960.60	4,281.36
(ii) Loans	8(ii)	1,000.00	-
(iii) Others financial assets	8(i)	179.09	147.06
Deferred tax assets (net)	21	88.98	187.43
Non-current tax assets (net)	9	-	14.93
Other non-current assets	10	359.95	27.10
		21,275.75	12,590.83
II Current assets			
Inventories	11	3,934.42	2,126.31
Financial assets			
i) Investments	7(ii)	90.31	-
ii) Trade receivables	12	3,110.06	3,045.95
iii) Cash and cash equivalents	13	906.87	91.18
iv) Bank balances other than (iii) above	14	4,246.38	5,053.75
(v) Loans	8(ii)	-	1,000.00
(vi) Other financial assets	8(ii)	131.27	157.21
Other current assets	15	690.25	952.93
		13,109.56	12,427.33
		34,385.31	25,018.16
Total Assets			
EQUITY AND LIABILITIES			
I Equity			
Equity share capital	16	594.63	594.63
Other equity	17	21,197.68	18,525.87
		21,792.31	19,120.50
II Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowing	18	170.01	184.65
(ia) Lease liabilities	19(i)	2,946.92	1,026.99
Provisions	20(i)	33.74	32.07
		3,150.67	1,243.71
Current liabilities			
Financial liabilities			
i) Borrowing	22	14.64	13.35
ia) Lease liabilities	19(ii)	240.71	71.74
ii) Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	23	252.48	170.39
-Total outstanding dues of trade payables other than micro enterprises and small enterprises	23	7,166.22	3,899.41
iii) Other financial liabilities	24	1,622.42	420.56
Other current liabilities	25	51.66	38.75
Provisions	20(ii)	17.50	39.75
Current Tax liability (net)	26	76.70	-
		9,442.33	4,653.95
		34,385.31	25,018.16
Total Equity and Liabilities			
Summary of significant accounting policies	2		
Contingent liabilities and commitments	27		
Other notes on accounts	37		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For **S S Kothari Mehta & Co.**
Chartered accountants
ICAI Registration No. 000756N

Neeraj Bansal
Partner
Membership no. 095960

Place : Delhi
Date : May 29, 2023

Rohit Relan
Co-Chairman & Director
Din: 00257572

Vinod Kumar
Chief Financial Officer

For and on behalf of Board of Directors

Pranav Relan
Whole Time Director
Din: 07177944

Rajat Bhandari
Executive Director and Company Secretary
Din: 02154950

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in lakhs, except as otherwise stated)

Particulars	Notes	Year Ended 31st March 2023	Year ended 31st March 2022
I INCOME			
Revenue from operations	28	39,278.46	23,254.89
Other income	29	631.36	769.79
Total income		39,909.82	24,024.68
II EXPENSES			
Cost of materials consumed	30	29,808.48	17,723.45
Changes in inventories of finished goods and work in progress	31	(122.26)	(44.77)
Employee benefits expense	32	1,239.04	914.04
Finance costs	33	178.68	72.53
Depreciation and amortization expenses	34	867.63	733.05
Other expenses	35	5,180.11	3,268.22
Total expenses		37,151.68	22,666.52
III Share of profit/(loss) of associate		612.73	334.87
IV Share of profit/(loss) of joint ventures		149.21	130.67
V Profit/(loss) before tax (I-II+III+IV)		3,520.08	1,823.70
VI Tax expenses			
Current tax	21	610.90	405.44
Deferred tax expenses/(credit)	21	98.45	(70.40)
Income tax expense		709.35	335.04
VII Profit for the year		2,810.73	1,488.66
VIII Other comprehensive income			
Items that will not be reclassified to Statement of profit or loss:			
i) Re-measurement gains/(losses) on defined benefit plans (refer note 37(b))		7.27	30.14
ii) Re-measurement gains/(losses) on share of other comprehensive income of associate and joint ventures		4.30	5.43
iii) Income tax relating to items that will not be reclassified to profit or loss (refer note 21)		(1.83)	(7.59)
Total other comprehensive income for the year, net of taxes		9.74	27.98
IX Total comprehensive income for the year, net of taxes		2,820.47	1,516.64
X Earnings per equity share of Rs. 10 each:			
(i) Basic (Rs.)	36	47.27	25.04
(ii) Diluted (Rs.)	36	47.27	25.04
Summary of significant accounting policies	2		
Contingent liabilities and commitments	27		
Other notes on accounts	37		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For **S S Kothari Mehta & Co.**
Chartered accountants
ICAI Registration No. 000756N

Neeraj Bansal
Partner
Membership no. 095960

Place : Delhi
Date : May 29, 2023

Rohit Relan
Co-Chairman & Director
Din: 00257572

Vinod Kumar
Chief Financial Officer

For and on behalf of Board of Directors

Pranav Relan
Whole Time Director
Din: 07177944

Rajat Bhandari
Executive Director and Company Secretary
Din: 02154950

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March, 2023	Year Ended 31st March 2022
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	3,520.08	1,823.70
Adjustments to reconcile profit before tax to net cash flows:		
Share of (profit)/ loss of associate	(612.73)	(334.87)
Share of (profit)/ loss of joint ventures	(149.21)	(130.67)
Depreciation and amortization expense	867.63	733.05
(Profit)/loss on sale of property, plant and equipment	79.49	75.56
Finance cost	20.46	2.73
Interest on lease liability	158.22	69.80
Interest income	(343.42)	(382.50)
Dividend income on other investment	(0.24)	-
Net Gain/ loss on sale of investment	8.68	-
Unrealised (gain)/ loss on foreign exchange fluctuation	(0.12)	(0.46)
Income on termination of lease under Ind-AS-116	-	(13.39)
Liabilities no longer required written back	(171.74)	(258.84)
Operating profit before working capital changes	3,377.10	1,584.11
Adjustments for changes in working capital :		
(Increase)/decrease in inventories	(1,808.11)	(887.48)
(Increase)/decrease in trade receivables	(64.11)	64.61
(Increase)/decrease in other financial assets	(23.07)	(175.53)
(Increase)/decrease in other assets	261.05	(743.12)
Increase/(decrease) in trade payables	3,520.76	757.91
Increase/(decrease) in other liabilities	12.91	1.39
Increase/(decrease) in other financial liabilities	76.21	23.45
Increase/(decrease) in provisions	(13.31)	(157.67)
Cash generated from operating activities	5,339.43	467.67
Income tax paid (net of refunds)	(521.10)	(413.01)
Net cash flow from/ (used in) operating activities	4,818.33	54.66
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work in progress, capital advances net of capital creditors	(4,614.78)	(2,924.55)
Proceeds from sale of property, plant and equipment	26.98	34.23
Initial direct cost incurred for Right to use asset	(26.95)	-
Corporate loan given	-	(1,000.00)
Fixed Deposits made during the year	(5,680.00)	(7,164.00)
Fixed Deposits matured during the year	6,489.00	10,270.00
Dividend received	87.24	57.00
Purchase of current investments	(141.25)	-
Sale of current investments	42.26	-
Interest income received	360.41	358.89
Net cash from/ (used in) investing activities	(3,457.09)	(368.43)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/ (Repayments) from borrowings	(13.35)	198.00
Dividend paid on equity shares	(147.03)	(58.71)
Repayment of principal lease payment	(166.43)	(52.21)
Repayment of interest on lease liability	(198.23)	(69.80)
Repayment of interest on borrowings	(17.70)	-
Other finance cost paid	(2.81)	(2.07)
Net cash from/ (used in) financing activities	(545.55)	15.21
Net increase in cash and cash equivalents (I+II+III)	815.69	(298.55)
Cash and cash equivalents at the beginning of the year	91.18	389.73
Cash and cash equivalents at the end of the year	906.87	91.18
Components of cash and cash equivalents		
Cash and cash equivalents		
Balances with banks:		
Current accounts	55.37	89.91
Fixed deposits account with a original maturity of less than three months	850.00	-
Cash on hand	1.50	1.27
Net Cash and cash equivalents as at 31st March 2023	906.87	91.18

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind As) 7 statement of cash flows.

Also refer note no. 23C for change in liabilities arising from financing activities

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S S Kothari Mehta & Co.**
Chartered accountants
ICAI Registration No. 000756N

Neeraj Bansal
Partner
Membership no. 095960

Place : Delhi
Date : May 29, 2023

Rohit Relan
Co-Chairman & Director
Din: 00257572

Vinod Kumar
Chief Financial Officer

For and on behalf of Board of Directors

Pranav Relan
Whole Time Director
Din: 07177944

Rajat Bhandari
Executive Director and Company Secretary
Din: 02154950

NDR AUTO COMPONENTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

I Equity Share Capital (Refer note 16)

(Rs. in lakhs, except as otherwise stated)

	Nos.	Amount
Balance as at 1st April, 2021	5,946,326	594.63
Changes in equity share capital due to prior period error	-	-
Balance as at Balance as at 1st April, 2021	5,946,326	594.63
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2022	5,946,326	594.63
Changes in equity share capital due to prior period error	-	-
Balance as at Balance as at 31st March, 2022	5,946,326	594.63
Changes in equity share capital during the year	-	-
Balance as at 31st March 2023	5,946,326	594.63

II Other Equity (Refer note 17)

	Reserves & Surplus			Total
	Capital Reserve	Retained Earnings	Remeasurement gain/(loss) on defined benefit plans	
Balance as at 1st April, 2021	15,715.69	1,512.22	(5.09)	17,222.82
Changes in other equity due to prior period error	-	-	-	-
Balance as at Balance as at 1st April, 2021	15,715.69	1,512.22	(5.09)	17,222.82
Reconciliation adjustment on account of consolidation	(154.13)	-	-	(154.13)
Total Comprehensive Income for the year	-	1,488.66	27.98	1,516.64
Transactions with owners in their capacity as owners				
Dividend paid during the year	-	(59.46)	-	(59.46)
Balance as at 31st March, 2022	15,561.56	2,941.42	22.89	18,525.87
Changes in equity share capital due to prior period error	-	-	-	-
Balance as at Balance as at 31st March, 2022	15,561.56	2,941.42	22.89	18,525.87
Total Comprehensive Income for the current year	-	2,810.73	9.74	2,820.47
Transactions with owners in their capacity as owners				
Dividend paid during the year	-	(148.66)	-	(148.66)
Balance as at 31st March 2023	15,561.56	5,603.49	32.63	21,197.68

Summary of significant accounting policies	2
Contingent liabilities and commitments	27
Other notes to accounts	37

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For **S S Kothari Mehta & Co.**
Chartered accountants
ICAI Registration No. 000756N

Neeraj Bansal
Partner
Membership no. 095960

Place : Delhi
Date : May 29, 2023

Rohit Relan
Co-Chairman & Director
Din: 00257572

Vinod Kumar
Chief Financial Officer

For and on behalf of Board of Directors

Pranav Relan
Whole Time Director
Din: 07177944

Rajat Bhandari
Executive Director and Company Secretary
Din: 02154950

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**1 Corporate Information**

NDR Auto Components Limited ('the company') is a public limited company domiciled in India and incorporated on March 19, 2019 under the provisions of Companies Act, 2013 having its registered office at Level-5, Regus Caddie Commercial Tower, Hospitality District Aerocity, IGI Airport, New Delhi 110037. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange Limited. The Company is primarily engaged in the manufacturing, fabricating and assembling of every kind of automotive components including seats, spare parts and components for the seats and to deal in each and every kind of activity associated with the manufacture and trading of any kind of components, whether directly or indirectly or whether in India or abroad.

2 Basis of preparation of Financial statements**2.1 Statement of Compliance:**

The consolidated financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Rules, 2016 and relevant amendment rules thereafter.

The consolidated financial statements were authorized by board of directors for issue in accordance with resolution dated 29th May, 2023

2.2 Basis of preparation and presentation:

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities (including derivative instruments) and net defined benefits (assets)/liability which are measured at fair value and fair value of the plan assets less present value of defined benefits obligations respectively at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Financial statements are presented in INR and all values are rounded to nearest lakhs (INR 00,000) except when otherwise stated.

The principal accounting policies are set out below.

2.3 Basis of Consolidation and Equity Accounting:**i) Associates**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see note (iii) below), after initially being recognised at cost.

ii) Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method of accounting (see note(iii) below), after initially being recognised at cost in the consolidated balance sheet.

iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment.

To the extent possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's individual financial statements. Inconsistency, if any, between the accounting policies of the associates and joint ventures have been disclosed in the notes to accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**2.4 Use of estimates and judgements:**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements:

- useful life of Property, plant and equipment
- useful life of Intangible assets
- provisions and contingent liabilities
- income taxes
- lease classification and judgement regarding whether an arrangement contain a lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of causing a material adjustment to the carrying amount 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 the future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- measurement of defined benefit obligations: key actuarial assumptions
- recognition and measurement of provision for warranties, provision for litigations and contingent liabilities: key assumptions about the likelihood and magnitude of an outflow of resources
- the liability for site restoration is measured on the basis of present estimated cost to decommission the asset, current inflation rate and discount rate.

2.5 Measurement of fair values:

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. The directors are responsible for overseeing all significant fair value measurements, including Level 3 fair values. Directors regularly reviews significant unobservable inputs and valuation adjustments.

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 and 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)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Note 3: Summary of Significant accounting policies**3.1 Property, Plant and Equipment (PPE):**

Items of PPE are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, if any directly attributable cost of bringing the item to its working condition for its intended use

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress includes cost of property, plant and equipment (including related expenditure) under installation/under development as at the balance sheet date.

An items of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continuous use of assets. Any gain or loss on disposal of an item of property, plant and equipment determined as the difference between the sale proceeds and the carrying amount of assets are recognised in profit or loss.

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

Depreciation: Depreciation is provided using the straight line method based on useful life of the assets as indicated in Schedule II of the Companies Act, 2013 and after retaining the residual value of 5% of the original cost of the asset in the said Schedule except in respect of the plant and machinery and electrical fittings. Upto March 31st 2022, Company used to follow written down value method for providing depreciation.

i) Plant and machinery and electrical fittings:

Assets	Estimated useful life (years)	Useful life as per Companies Act, 2013 (years)
Plant & Machinery-Trollies	5	15
Plant & Machinery-Tools & Dies	10	15
Plant & Machinery- Others	20	15
Electrical Fittings	15	10

ii) Other assets:

Nature	Estimated useful life (years)	Useful life as per Companies Act, 2013 (years)
Furniture and Fixtures	10	10
Vehicles	8	8
Office Equipment	5	5
Computers	3 and 6	3 and 6
Building	30	30

Electrical fittings and plant & machinery has been depreciated over useful life different from life specified in Schedule II of Companies Act, 2013 based on the technical estimates made by the management, it believes that the useful lives as given above represent the period over which the assets are expected to be used.

The residual value, useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Assets purchased during the period costing ₹ 5,000 or less are depreciated at the rate of 100%

3.2 Intangible assets:

Intangible assets comprise of computer software (which does not form an integral part of related hardware). Computer software which is acquired separately, is recognized initially at cost. Following initial recognition principle, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets under development include cost of assets under installation/under development as at the balance sheet date.

Amortisation method and useful lives: Intangible assets are amortized on a straight line basis over the estimated life of three years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

3.3 Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial 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 disposal. 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.

3.4 Leases:

Determining whether arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At the inception of a contract, the company assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Company's lease asset classes primarily consist of leases for land and buildings. The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated.

Company as a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Asset	Useful life
Leasehold improvements	Over the leasehold period

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. Refer to the accounting policies in section (Impairment of non financial assets).

Lease payments

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**Lease Liability**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.5 Foreign currencies:**Functional and presentational currency**

The Company's financial statements are presented in Indian Rupees (Rs.) 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.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate prevailing on the date when the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on settlement or restatement of monetary items are recognised in statement of profit or loss in the period in which they arise.

3.6 Inventories:**Basis of valuation**

Inventories are measured at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Method of valuation

Cost of raw materials: Cost includes purchase price (excluding taxes which are subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, first-in-first-out method (FIFO) is used.

Cost of finished goods and work in progress are determined on FIFO basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Stock in Transit is valued at lower of cost or net realizable value. Scrap is valued at estimated net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

3.7 Employee 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

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.

Post-Employment Benefits**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 and employee state insurance are a defined contribution scheme and contributions paid/payable towards these funds are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plan

The Company has Defined benefits plans namely Gratuity for employees. The gratuity fund are recognised by the income tax authorities and are administered through Company's trusts where a policy with 'Life Insurance Corporation of India' has been taken to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the period end and the balance of funds with Life Insurance Corporation of India is provided for as liability in the books.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other Long Term Employee Benefits**a) Gratuity**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is maintained with Life insurance Corporation. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Company Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

1. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
2. Net interest expense or income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**b) Provident fund**

Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds become due. The Company has no obligation other than contribution payable to these funds.

c) Compensated Absences

Accumulated leaves which are expected to be utilized within next 12 months are treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharged by the year end.

The Company treats accumulated leaves to be carried forward beyond 12 months as long term employee benefits for measurement purpose, such long term compensated absence are provided for based on actuarial valuation which is done as per projected unit credit method at year end.

d) Voluntary retirement

Expenses incurred on voluntary retirement of employees are charged off to the Statement of Profit & Loss in the year of occurrence.

3.8 Provisions, Contingent liabilities and contingent assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Warranties: The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise. In addition, specific provision is also made against customer claims for manufacturing.

Site restoration (decommissioning liability): The Company records a provision for site restoration costs to be incurred for the restoration of leasehold land at the end of the lease period. The provision is measured at the present value of the best estimate of the expected costs to settle the obligation and recognised as part of the cost of property, plant and equipment/ right-of-use assets. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the costs of the asset and site restoration obligation.

Litigations: Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.9 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial asset and financial liabilities are initially measured at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets financial liabilities at fair value through

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(a) Financial Assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Equity investment in associates and joint ventures

Investments representing equity interest in associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following :

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

- financial assets measured at amortised cost; e.g. security deposits, trade receivables, bank balance, other financial assets etc.
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

A financial asset is derecognised only when

- The right to receive the cash flows from the asset has expired or,
- The Company has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship.

Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

(b) Financial liabilities and equity instruments**Classification of debt or equity**

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3.10 Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

3.11 Revenue recognition and presentation:

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in a contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the Government). A receivable is recognized upon satisfaction of performance obligations as per the contracts.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**Use of significant judgements in Revenue Recognition**

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts, price concessions, incentives etc. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The contracts for the sale of goods provide price revision receivable from/payable to customers on account of change of commodity prices/purchase price and these prices escalations and relaxations give rise to variable consideration. Contract revenue includes price revision received/receivable from customers and similarly, price revision for material purchased or payable to vendors has also been included in purchases.

Other Revenue

Dividend income is recognized when the right to receive payment is established.

Interest income from a financial assets are recognized using effective interest rate method.

Claims receivables on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.12 Borrowing costs:

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to the statement of Profit & Loss on the basis of effective interest rate. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments throughout the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

3.13 Operating segment:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's CODM to make decisions about resources to be allocated to the segments and assess their performance.

The operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the Company's CODM.

3.14 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.15 Earnings per share (EPS):

Basic earnings per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period end, except where the results would be anti-dilutive.

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendments Rules, 2023, as below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Ind AS 1, Presentation of Financial Statements	This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.
Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors	The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
Ind AS 12, Income Taxes	This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

5(i) a) Property Plant & Equipment: 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Depreciation/ Impairment			Net Carrying Value		
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year*	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Land Free Hold	752.84	1,791.58	-	2,544.42	-	-	-	2,544.42	752.84
Buildings	1,651.67	119.87	-	1,771.54	728.14	52.77	-	990.63	923.53
Plant and Equipment**	3,871.27	5,037.90	388.28	8,520.89	2,616.12	455.58	286.66	5,735.85	1,255.15
Furniture and Fixtures	21.15	34.48	-	55.63	13.29	4.63	-	37.71	7.86
Vehicles	281.66	-	-	281.66	5.23	32.87	-	243.56	276.43
Office equipment	109.62	44.51	0.37	153.76	69.04	8.94	0.33	76.11	40.58
Computers	61.43	32.73	1.27	92.89	24.19	16.10	1.12	53.72	37.24
Electrical Fittings	554.68	300.06	16.36	838.38	301.36	30.07	11.69	518.64	253.32
Total	7,304.32	7,361.13	406.28	14,259.17	3,757.37	600.96	299.80	4,058.53	3,546.95

*During the quarter ended on 30th September 2022, considering the expected pattern of consumption of the future economic benefits embodied in the assets, the Company has changed its method of depreciation of property plant and equipment from written down value to straight line prospectively w.e.f. 1st April, 2022 as per applicable accounting standard. By this change in accounting estimate, the profit of the Company during the period ended on 30th September 2022 increased by Rs. 154.20 lakhs.

**refer note no. 5(iii) note 1. and note no. 37(j)

b) Property Plant & Equipment: 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Depreciation/ Impairment			Net Carrying Value		
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Land Free Hold	752.84	-	-	752.84	-	-	-	752.84	752.84
Buildings	1,626.51	40.41	15.25	1,651.67	640.51	94.28	6.65	923.53	986.00
Plant and Equipment	4,007.82	230.51	367.06	3,871.27	2,464.60	439.98	288.46	1,255.15	1,543.22
Furniture and Fixtures	62.75	0.32	41.92	21.15	40.35	4.43	31.49	7.86	22.40
Vehicles	29.37	278.55	26.26	281.66	24.32	2.93	22.02	276.43	5.05
Office equipment	133.73	1.52	25.63	109.62	81.27	11.12	23.35	40.58	52.46
Computers	28.41	36.54	3.52	61.43	15.25	11.72	2.78	37.24	13.16
Electrical Fittings	541.95	36.44	23.71	554.68	266.03	54.14	18.81	253.32	275.92
Total	7,183.38	624.29	503.35	7,304.32	3,532.33	618.59	393.55	3,757.37	3,651.05

Note: Refer note no. 2.4 on use of estimates and judgements

5(ii) a) Other intangible assets: 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Amortisation for the year	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Software	24.46	14.78	-	39.24	8.03	-	17.74	14.75
Total	24.46	14.78	-	39.24	8.03	-	17.74	14.75

b) Other intangible assets: 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Depreciation / amortisation			Net Carrying Value	
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Amortisation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Software	7.26	19.10	1.90	24.46	7.71	1.90	9.71	3.36
Total	7.26	19.10	1.90	24.46	7.71	1.90	9.71	3.36

Note: Refer note no. 2.4 on use of estimates and judgements

5(iii) a) Right-of-use assets 2022-23

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2022	Additions	Disposals	Balance as at 31st March 2023	Amortisation for the year	Disposals	Balance as at 31st March 2023	Balance as at 31st March 2022
Buildings	1,240.76	2,282.27	-	3,523.03	315.74	-	396.98	1,159.52
Total	1,240.76	2,282.27	-	3,523.03	315.74	-	396.98	1,159.52

b) Right-of-use assets 2021-22

(Rs. in lakhs, except as otherwise stated)

Particulars	Gross Carrying Value			Amortisation/ Impairment			Net Carrying Value	
	Balance as at 1st April 2021	Additions	Disposals	Balance as at 31st March 2022	Amortisation for the year	Disposals	Balance as at 31st March 2022	Balance as at 31st March 2021
Buildings	459.15	1,240.76	459.15	1,240.76	106.75	34.03	81.24	450.64
Total	459.15	1,240.76	459.15	1,240.76	106.75	34.03	81.24	450.64

Note: 1. During the year, out of amortisation of right-of-use asset of Rs. 315.74 lakhs, Rs. 57.11 lakhs are capitalised to plant and equipment on account of pre operative expenses and balance of Rs. 258.63 lakhs are charged to profit and loss.

Note: 2. The Company has discontinued a lease related to buildings vacated during the previous year 2021-22. Consequently the Company had reversed ROU of Rs. 425.12 lakhs and lease liability of Rs. 430.71 lakhs and security deposit by Rs. 7.80 lakhs, and recognised gain on termination of Rs. 13.39 lakhs (Refer Note 29 & 37).

Note: 3. Refer note no. 2.4 on use of estimates and judgements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

6 Capital work in progress

(Rs. in lakhs, except as otherwise stated)

	As at 31st March 2023	As at 31st March 2022
Opening cost	3,211.73	322.42
Additions during the year	3,481.54	3,110.54
Deduction and adjustment during the year	(5,354.33)	(221.23)
	1,338.94	3,211.73

Capital work in progress (CWIP) ageing schedule

(Rs. in lakhs, except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Less than 1 year	1,083.72	2935.41
1-2 years	255.22	276.32
Total	1,338.94	3,211.73

7(i) Non-current Investments measured at cost

(Rs. in lakhs, except as otherwise stated)

	As at 31st March 2023	As at 31st March 2022
In equity shares of Associate		
Quoted, fully paid up		
9,000,000 Equity Shares (including 4,500,000 bonus shares) of ₹ 2/- each of Bharat Seats Ltd.	4,182.60	3,637.17
	4,182.60	3,637.17
In equity shares of Joint Ventures		
Unquoted, fully paid up		
5,000 Equity shares of ₹ 10/- each of Toyota Boshoku Relan India Pvt. Ltd.	-	-
750,000 Equity shares of ₹ 10/- each of Toyo Sharda India Pvt. Ltd.	778.00	644.19
	778.00	644.19
	4,960.60	4,281.36

7(ii) Current Investments

(Rs. in lakhs, except as otherwise stated)

	As at 31st March 2023	As at 31st March 2022
In equity shares of Other entities		
Quoted, fully paid up		
Investment in other equity instruments*	90.31	-
	90.31	-

* Invested through portfolio management services (PMS)

Note: The company had discontinued recognizing share of losses of its investment in Toyota Boshoku Relan India Pvt. Ltd. (joint venture) after its share of losses exceeded its carrying amount of the investment in the said joint venture. However, if the joint venture subsequently reports profit, the company will resume recognizing its share of profits only after its share of profits equals the amount of share of losses not earlier recognized.

Additional information about Associate & Joint Ventures as required by schedule III

(a) Name of the Company, Country of Incorporation, Principal Activities	County of residence	Proportion (%) of equity interest	
		As at 31st March 2023	As at March 31, 2021
Associate			
Bharat Seats Ltd., India, Manufacturing of Seating System	India	28.66%	28.66%
Joint Ventures			
Toyota Boshoku Relan India Pvt. Ltd., India, Manufacturing of Seating System	India	50.00%	50.00%
Toyo Sharda India Pvt. Ltd., India, Manufacturing of Seating System	India	50.00%	50.00%
Aggregate value of unquoted investments		778.00	644.19
Aggregate value of quoted investments		4,272.91	3,637.17
Market value of quoted investments		7,397.41	6,007.50

(b) **2022-23** (Rs. in lakhs, except as otherwise stated)

	Net Assets (i.e. Total assets - Total liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit or Loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
NDR Auto Components Limited	77.37%	16,996.71	72.89%	2,048.79	55.85%	5.44	72.83%	2,054.23
Indian Associates (Investment as per equity method)								
Bharat Seats Limited	19.09%	4,193.98	21.80%	612.73	48.36%	4.71	21.89%	617.44
Indian Joint ventures (Investment as per equity method)								
Toyota Boshoku Relan India Pvt. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Toyo Sharda India Pvt. Ltd.	3.54%	777.98	5.31%	149.21	-4.21%	-0.41	5.28%	148.80
Total		21,968.68		2,810.73		9.74		2,820.47

2021-22 (Rs. in lakhs, except as otherwise stated)

	Net Assets (i.e. Total assets - Total liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit or Loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
NDR Auto Components Limited	77.77%	15,004.14	68.73%	1,023.12	80.56%	22.54	68.95%	1,045.66
Indian Associates (Investment as per equity method)								
Bharat Seats Limited	18.89%	3,643.75	22.49%	334.87	17.66%	4.94	22.41%	339.81
Indian Joint ventures (Investment as per equity method)								
Toyota Boshoku Relan India Pvt. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Toyo Sharda India Pvt. Ltd.	3.34%	644.18	8.78%	130.67	1.79%	0.50	8.65%	131.17
Total		19,292.07		1,488.66		27.98		1,516.64

Other Disclosures

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(c) Significant judgements: existence of significant influence

Please refer note no. 2.4

(d) Summarised financial statement in respect of the associates and joint ventures is given below:

Particulars	Bharat Seats Limited		Toyota Boshoku Relan India Pvt. Ltd.		Toyo Sharda India Pvt. Ltd.	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
	Current assets	13,174.95	17,367.99	1.15	1.14	1,601.39
Non current assets	22,602.20	16,353.46	14.51	14.51	1,013.99	957.25
Current liabilities	16,688.34	16,863.70	0.59	0.59	937.82	1,023.72
Non current liabilities	4,455.23	4,144.04	36.71	35.92	121.60	168.43
Net Assets	14,633.58	12,713.71	(21.64)	(20.86)	1,555.96	1,288.35
Share of NDR Auto Components Ltd.	4,193.98	3,643.75	(10.82)	(10.43)	777.98	644.19
Adjustment of stock reserve	11.38	6.58	-	-	-	-
Net Share of investment	4,182.60	3,637.17	-10.82	-10.43	777.98	644.19

Note: a) During the previous year in pursuance to reconciliation of certain items pertaining to demerger, due to disclosures requirements, amount of investment and capital reserve had been adjusted by Rs. (-)154.13 lacs

(e) Summarised Statement of Profit and Loss in respect of the associates and joint ventures is given below:

Particulars	Bharat Seats Limited		Toyota Boshoku Relan India Pvt. Ltd.		Toyo Sharda India Pvt. Ltd.	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
	Revenue	105,104.26	81,763.17	-	-	7,012.98
Profit / (loss) after tax	2,154.64	1,191.34	(0.77)	(0.62)	298.41	261.33
Other comprehensive income	16.43	17.23	-	-	(0.81)	0.99
Total comprehensive income	2,171.07	1,208.57	(0.77)	(0.62)	297.60	262.32

8(i) Non-current financial assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans:		
Corporate loan given	1,000.00	-
	1,000.00	-
Others		
Security deposits	179.09	147.06
	1,179.09	147.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

8(ii) Current financial assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans:		
Corporate Loan	-	1,000.00
Others:		
Security Deposits	-	0.31
Interest accrued but not due on fixed deposits with bank	131.27	156.90
	131.27	1,157.21

a) Details of Loans and advance given to related parties, promoters, directors, KMPs

	As at 31st March, 2023	
Type of Borrower	Amount of loans or advances	% to the total loans and advances in the nature of loans
Related Parties - Bharat Seats Limited (refer note no. 37(d))	1,000.00	100%
Total	1,000.00	100%

	As at 31st March 2022	
Type of Borrower	Amount of loans or advances	% to the total loans and advances in the nature of loans
Related Parties - Bharat Seats Limited (refer note no. 37(d))	1,000.00	100%
Total	1,000.00	100%

b) Information on details of loans under section 186(4) of the Companies Act

Particulars	Purpose of the loan given	Outstanding as at 31st March 2023	Maximum Amount Outstanding during 2022-23
Inter Corporate Loan (Including Interest)			
Bharat Seats Limited	General business purpose	1,000.00	1,000.00

Particulars	Purpose of the loan given	Outstanding as at 31st March 2022	Maximum Amount Outstanding during 2021-22
Inter Corporate Loan (Including Interest)			
Bharat Seats Limited	General business purpose	1,000.00	1,000.00

9 Non-current tax assets (net)

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Advance Tax (net of provisions and tax deducted at source)	-	14.93
	-	14.93

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

10 Other non current assets (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Capital Advance	359.95	27.10
	359.95	27.10

11 Inventories (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Raw materials and components	3,478.58	1,798.88
Work-in-progress	76.97	60.57
Finished goods	231.35	118.15
Stores and spares	130.75	128.35
Scrap materials	13.02	20.36
Goods in transit (raw material)	3.75	-
	3,934.42	2,126.31

12 Trade receivables (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured)		
Trade Receivable- considered good	3,110.06	3,045.95
	3,110.06	3,045.95

Note:

- a) Trade Receivables are not interest bearing. Credit period generally falls in the range of 30 to 60 days.
- b) Due from related parties Rs. 1109.58 lakhs (31st March 2022: Rs. 2870.75 lakhs) (refer note 37 (d)).

(Rs. in lakhs, except as otherwise stated)

Ageing of trade receivables	As at 31st March, 2023	As at 31st March 2022
Undisputed Trade Receivable - Considered good		
current but not due	3,048.74	2,473.25
less than 6 months past due	61.16	572.65
6 months - 1 year past due	0.04	0.05
1 year -2 year past due	0.12	-
	3,110.06	3,045.95

13 Cash and cash equivalents (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Balance with banks:		
Current accounts	55.37	89.91
Cash on hand	1.50	1.27
Fixed deposits account with an original maturity of less than three months	850.00	-
	906.87	91.18

Note: There are no restrictions with regard to cash and cash equivalents at the end of the current and previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

14 Other bank balances

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Fixed deposits account with an original maturity of more than twelve months but remaining maturity less than twelve months	4,244.00	5,053.00
Unclaimed dividend accounts	2.38	0.75
	4,246.38	5,053.75

15 Other current assets

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(Unsecured, considered good)		
Advances given to suppliers	127.74	872.69
Balance with statutory / government authorities	539.79	66.11
Prepaid expenses	21.77	14.13
Other Receivable	0.95	-
	690.25	952.93

16 Equity Share Capital

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(a) Equity Share Capital		
Authorised		
6,000,000 equity shares of Rs. 10 each	600.00	600.00
Issued, subscribed & fully paid-up		
5,946,326 equity shares of Rs. 10 each	594.63	594.63

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March, 2023		As at 31st March 2022	
	No. of shares	Amount in lakhs	No. of shares	Amount in lakhs
At the beginning of the year	5,946,326	594.63	5,946,326	594.63
Add: Equity shares issued	-	-	-	-
	5,946,326	594.63	5,946,326	594.63

(c) Terms/rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the 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 any of the 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.

(ii) During the period, no interim dividend has been recognized as distributions to equity shareholders.

(d) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):

(Rs. in lakhs, except as otherwise stated)

Name of Shareholders	As at 31st March, 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rohit Relan	2,864,855	48.18%	3,570,175	60.04%
Ritu Relan	744,646	12.52%	744,646	12.52%
	3,609,501		4,314,821	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(e) **Details of Shares held by promoters:**

			As at 31st March, 2023
Name of Promoter	No. of Shares	% of total shares	% change during the year
Rohit Relan	2,864,855	48.18%	19.76%
Ritu Relan	744,646	12.52%	0.00%
Rishabh Relan	244,868	4.12%	2552.10%
Pranav Relan	244,868	4.12%	2528.75%
Ayush Relan	244,868	4.12%	2180.81%
Indira Chaudhary	53,037	0.89%	0.00%
	4,397,142	73.95%	

			As at 31st March 2022
Name of Promoter	No. of Shares	% of total shares	% change during the year
Rohit Relan	3,570,175	60.04%	0.00%
Ritu Relan	744,646	12.52%	0.04%
Rishabh Relan	9,233	0.16%	0.02%
Pranav Relan	9,315	0.16%	0.02%
Ayush Relan	10,736	0.18%	0.02%
Indira Chaudhary	53,037	0.89%	0.00%
	4,397,142	73.95%	

17 Other equity

(Rs. in lakhs, except as otherwise stated)

	As at 31st March 2023	As at 31st March 2022
a) Capital Reserve		
Balance as at the beginning of the year	15,561.56	15,715.69
Reconciliation adjustment on account of consolidation		(154.13)
	15,561.56	15,561.56
(b) Retained earnings		
Balance as at the beginning of the year	2,964.31	1,507.13
Net profit for the year	2,810.73	1,488.66
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post employment benefit obligation, net of tax	9.74	27.98
Dividends		
Final dividend of Re. 2.5/-per share (31st March, 2021 Re. 1 per share)	(148.66)	(59.46)
	5,636.12	2,964.31
	21,197.68	18,525.87

18 Borrowings

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Secured		
Vehicle loan	170.01	184.65
	170.01	184.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The requisite particulars in respect of secured borrowings are as under:

	As at 31st March, 2023	As at 31st March 2022	Particulars of security / guarantees / terms of repayment / default
Loan - Daimler Financial Services India Pvt. Ltd.			Particulars of security
Balance outstanding	184.65	198.00	First pari passu charge over the asset financed
Current maturity	14.64	13.35	Terms of repayment
Non - current amount	170.01	184.65	Period of loan is 36 months, sanctioned on 17.03.2022, repayable in 35 equal monthly instalments of Rs. 2,59,230 commencing from 18.04.2022 and last instalment of Rs. 1,56,55,500 Rate of interest is 9.25% per annum.

19(i) Non Current lease liabilities

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Non Current lease liability (refer note no. 37(j))	2,946.92	1,026.99
	2,946.92	1,026.99

19(ii) Current lease liabilities

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Current lease liability (refer note no. 37(j))	240.71	71.74
	240.71	71.74

Note: Refer note no. 2.4 on use of estimates and judgements

20(i) Non- Current provisions

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Gratuity Payable (refer note 37(b))	8.79	32.07
Leave encashment (refer note 37(c))	24.95	-
	33.74	32.07

20(ii) Current provisions

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Gratuity Payable (refer note 37(b))	3.14	12.94
Leave encashment (refer note 37(c))	14.36	26.81
Provision for warranty	-	-
	17.50	39.75

Note: Refer note no. 2.4 on use of estimates and judgements

Disclosure for warranty claim payable

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Opening Balance	-	175.77
Less: Paid during the year	-	0.46
Less: Amount reversed during the year	-	175.31
Closing Balance	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

21 Income Taxes

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022		
a) Income Tax expense in the statement of profit and loss comprises:				
Current income tax charge	610.90	405.44		
Deferred Tax				
Relating to origination and reversal of temporary differences	98.45	(70.40)		
Income tax expense reported in the statement of profit and loss	709.35	335.04		
b) Other comprehensive income				
Tax on Re-measurement gain/(losses) on defined benefit plans	1.83	7.59		
Income tax related to items recognised in OCI during the year	1.83	7.59		
c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:				
Accounting profit before tax	3,520.08	1,823.70		
Applicable tax rate	25.168%	25.168%		
Computed tax expense	885.93	458.99		
Property, Plant & Equipment	540.04	7.85		
Effect of expenses that are not deductible in determining taxable profit	(521.78)	(9.76)		
Effect of income that are exempt in determining taxable profit	(24.97)	(19.09)		
Effect of share of profit in associate and joint ventures after adjustment of dividend received from them	(169.87)	(102.95)		
Income tax charged to Statement of Profit and loss at effective rate	709.35	335.04		
(d) Deferred tax relates to the following:				
	(Rs. in lakhs, except as otherwise stated)			
	As at 31st March, 2023	As at 31st March 2022	for the year ended 31st March, 2023	for the year ended 31st March 2022
Deferred tax liabilities on account of :				
Right-of-use assets	786.76	291.83	494.93	153.87
Total deferred tax liabilities	786.76	291.83	494.93	153.87
Deferred tax assets on account of :				
Property, plant and equipment and Intangible assets	37.61	157.08	(119.47)	46.41
Lease liabilities	802.26	276.53	525.73	164.87
Expenses deductible in future years	35.87	45.65	(9.78)	5.40
Total deferred tax assets	875.74	479.26	396.48	216.68
Total deferred tax liabilities/ (asset) (net)	88.98	187.43	(98.45)	62.81
(e) Reconciliation of deferred tax liabilities/ (asset) (net)				
	(Rs. in lakhs, except as otherwise stated)			
	As at 31st March, 2023	As at 31st March 2022		
Opening balance	(187.43)	(124.62)		
Tax expense/ (credits) during the year recognised in Statement to profit and loss	98.45	(70.40)		
Tax expense /(credits) during the year recognised in OCI	-	7.59		
Closing balance as at 31st March	(88.98)	(187.43)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

22 Short Term Borrowings

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Secured		
Vehicle loan- current maturities of long term borrowing (refer note 18)	14.64	13.35
	14.64	13.35

23 Trade payables

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Dues of micro and small enterprises (refer below note)	252.48	170.39
Dues of other than micro and small enterprises	7,166.22	3,899.41
	7,418.70	4,069.80

* Trade Payables include due to related parties Rs. Nil(31st March 2022: Re 0.47 lakh)(refer note no. 37(d))

* Trade Payables are unsecured and usually paid within 60 days of recognition.

* Trade Payables are usually non-interest bearing.

A) Disclosure under MSMED Act

Information as required to be furnished as per section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for year ended 31st March, 2023 is given below. This information has been determined to the extent such parties (micro enterprises and small enterprises) have been identified on the basis of information available with the Company.

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
i) Principal amount remaining unpaid to any supplier covered under MSMED Act (refer note no.23)	252.48	170.39
ii) Interest due remaining unpaid to any supplier covered under MSMED Act	Nil	Nil
iii) The amount of interest paid by the buyer in terms of section16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	1.00
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

B) Ageing of trade payables

(Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023		As at 31st March 2022	
	MSME	Other than MSME	MSME	Other than MSME
less than 1 year	252.48	7,154.85	170.39	3,876.74
1-2 years	-	11.37	-	5.82
2-3 years	-	-	-	3.38
more than 3 years	-	-	-	13.47
	252.48	7,166.22	170.39	3,899.41

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

C) Change in liabilities arising from financing activities (Rs. in lakhs, except as otherwise stated)

	As at 31st March 2022	Cash flows	Others	As at 31st March, 2023
Lease Liability	1,098.73	(364.66)	2,453.56	3,187.63
Borrowings	198.00	(13.35)	-	184.65
Other financing liability	-	(167.54)	167.54	-
Total	1,296.73	(545.55)	2,621.10	3,372.28

	As at 31st March 2021	Cash flows	Others	As at 31st March 2022
Lease Liability	443.64	(122.01)	777.10	1,098.73
Borrowings	-	198.00	-	198.00
Other financing liability	-	(60.78)	60.78	-
Total	443.64	15.21	837.88	1,296.73

24 Other financial liabilities (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Interest accrued but not due	0.61	0.66
Unpaid dividends	2.38	0.75
Creditors for capital goods	1,398.37	274.30
Employees related dues	221.06	144.85
	1,622.42	420.56

25 Other current liabilities (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Statutory dues payable	48.66	35.59
Advance from customers	3.00	3.16
	51.66	38.75

26 Current Tax liability (net) (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
Income tax payable (net of advance tax and tax deducted at source)	76.70	-
	76.70	-

27 Contingent liabilities & commitments (Rs. in lakhs, except as otherwise stated)

	As at 31st March, 2023	As at 31st March 2022
(A) Contingent liabilities (to the extent not provided for)		
Claims against the company not acknowledged as debt		
i) Labour court matter	-	0.71
ii) Civil case(Pathredi)	3.59	3.59
	3.59	4.30
(B) Commitments		
Estimated amount of contracts remaining to be executed :		
Capital commitments (net of advance)	165.53	224.68
	165.53	224.68

Note: Refer note no. 2.4 on use of estimates and judgements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

28 Revenue from operations

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Revenue from contract with Customers		
a) Sale of products	38,754.42	22,950.02
b) Other operating revenues		
Scrap sales	524.04	304.87
Revenue from operations (a+b)	39,278.46	23,254.89

28.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue form contracts with customers:

Types of goods		
Trims	18,122.68	12,077.73
Frames	20,631.74	10,872.29
	38,754.42	22,950.02
Revenue from contracts with customers disaggregated based on geographical area		
India	38,754.42	22,950.02
Outside India	-	-
Total revenue from contracts with customers	38,754.42	22,950.02
Timing of revenue recognition		
Goods transferred at a point in time	38,754.42	22,950.02
Services transferred over time	-	-
Total revenue from contracts with customers	38,754.42	22,950.02

29 Other income

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Interest income		
Fixed deposit with Banks	262.94	314.40
Corporate loan	71.84	61.86
Others	8.64	6.24
Dividend income		
Dividend income from current investment	0.24	-
Other non-operating income		
Gain on disposal of property, plant and equipments	3.57	5.47
Foreign exchange gain or loss	-	4.91
Gain on termination of right of use asset	-	13.39
Sundry old liabilities/ excess provision written back	171.74	258.84
Miscellaneous Income	112.39	104.68
	631.36	769.79

30 Cost of materials consumed

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Inventory at the beginning of the year	1,798.88	977.50
Add: Purchases during the period	31,491.93	18,544.83
Less: Balance of Raw Material at the end of the period	3,482.33	1,798.88
	29,808.48	17,723.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

31 Changes in inventories of finished goods and work-in-progress (Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Inventory at the beginning of the year		
Finished goods	118.15	105.83
Work in progress	60.57	36.98
Scrap materials	20.36	11.50
	199.08	154.31
Inventory at the end of the year		
Finished goods	231.35	118.15
Work-in-progress	76.97	60.57
Scrap materials	13.02	20.36
	321.34	199.08
Changes in inventories of finished goods and work-in-progress (Increase) / Decrease	(122.26)	(44.77)

32 Employee benefits expense (Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Salaries, wages, bonus and other benefits	978.19	783.52
Contributions to provident and other funds	57.55	30.27
Gratuity expense (refer note No. 37 (b))	14.18	13.19
Staff welfare expenses	189.12	87.06
	1,239.04	914.04

33 Finance costs (Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Interest on debts & borrowings	17.65	0.66
Interest on others	2.05	0.14
Interest on MSME suppliers	-	1.00
Interest on lease liability (refer note no. 37(j))	158.22	69.80
Bank charges	0.76	0.93
	178.68	72.53

34 Depreciation and amortization expenses (Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Depreciation of tangible assets (refer note 5(i))	600.97	618.59
Amortization on right of use assets (refer note 5(iii))	258.63	106.75
Amortization of intangible assets (refer note 5(ii))	8.03	7.71
	867.63	733.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

35 Other expenses

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
Power and fuel	329.56	239.45
Rent, rates & taxes	6.31	29.94
Repair and maintenance:		
Buildings	29.74	18.29
Plant and machinery	313.60	324.30
Others	21.00	8.04
Insurance	13.52	19.28
Loss on sale of property, plant and equipments	83.06	81.03
Consumption of stores and spares	232.38	145.00
Payment to Auditors		
As Auditors:		
Audit Fee	16.00	15.15
Tax Audit Fee	1.00	1.00
In other capacity	1.00	-
Reimbursement of expenses	-	0.85
Freight Outward	233.36	120.10
Contribution towards Corporate Social Responsibility (CSR) (refer note no. 37 (f))	15.00	9.00
Factory expenses	3,324.41	2,002.66
Legal and professional expenses	142.15	83.51
Foreign exchange loss	0.25	-
Loss on sale/ fair valuation on investment	8.68	-
Director sitting fees	24.00	28.40
Listing expense	5.60	5.40
Travelling and conveyance	285.31	84.04
Miscellaneous expenses	94.18	52.78
	5,180.11	3,268.22

36 Earnings per equity shares

(Rs. in lakhs, except as otherwise stated)

	Year Ended 31st March 2023	Year ended 31st March 2022
a) Basic Earnings per share		
Numerator for earnings per share		
Profit after taxation	2,810.73	1,488.66
Denominator for earnings per share		
Weighted number of equity shares outstanding during the year (Nos.)	5,946,326	5,946,326
Earnings per share- Basic (one equity share of Rs. 10/- each) Rs.	47.27	25.04
b) Diluted Earnings per share		
Numerator for earnings per share		
Profit after taxation	2,810.73	1,488.66
Denominator for earnings per share		
Weighted number of equity shares outstanding during the year (Nos.)	5,946,326	5,946,326
Earnings per share- Diluted (one equity share of Rs. 10/- each) Rs.	47.27	25.04

Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

37 Other Notes to Accounts

- a. Disclosures pursuant to Ind AS-19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) and the Companies (Indian Accounting Standards) Rules, 2016 and relevant amendment rules thereafter are given below :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(Rs. in lakhs except as otherwise stated)

Particulars	2022-23	2021-22
Provident fund/ other employees fund	57.55	30.27

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with the Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the other comprehensive income in the statement of the profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Net defined benefit obligation

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening defined benefit obligation	45.75	67.39
Current Service Cost	11.17	9.70
Interest Cost	3.07	4.23
Remeasurement (gains)/ losses	(5.47)	(30.14)
Benefits paid	(1.38)	(5.43)
Closing defined benefit obligation	53.14	45.75

ii) Changes in the fair value of plan assets are as follows:

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Opening fair value of plan assets	0.74	-
Interest income	0.05	0.05
Remeasurement gain/(loss): -Return on plan assets (expected amounts included in net interest expense)	1.80	-
Contributions from the employer	40.00	-
Benefits paid	(1.38)	0.69
Closing fair value of plan assets	41.21	0.74

iii) The amount included in the Balance Sheet

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Present value of defined benefit obligation	53.14	45.75
Fair value of plan assets	41.21	0.74
Amount Recognised in Balance Sheet-Asset/ (Liability)	(11.93)	(45.01)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

iv) Amount recognised in the statement of profit and loss (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Current service cost	11.17	9.70
Interest cost on benefit obligation	3.07	4.23
Interest income	(0.05)	(0.05)
Defined benefit cost recognised in statement of Profit or Loss as per actuarial certificate	14.19	13.88
Closing fair value of the plan assets	-	(0.69)
Net defined benefit cost recognised in statement of Profit or Loss	14.19	13.19

v) Remeasurements- other comprehensive income (OCI) (Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Return on plan assets (excluding amount included in net interest expense)	(1.80)	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(1.30)	(3.03)
Actuarial (gains)/ losses arising from experience adjustments	(4.17)	(27.11)
Defined benefit costs recognised in other comprehensive income	(7.27)	(30.14)

vi) The principal assumptions used in determining defined benefit obligation

Particulars	As at 31st March, 2023	As at 31st March 2022
Discount rate	7.20%	6.70%
Rate of increase in compensation	9.00%	9.00%
Average outstanding service of employees upto retirement (years)	23.73%	23.01%

vii) A quantitative sensitivity analysis for significant assumption

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March 2022
Change in discount rate		
Decrease in defined benefit obligation due to 1% increase in discount rate	(2.43)	(2.00)
Increase in defined benefit obligation due to 1% decrease in discount rate	2.66	2.19
Rate of salary escalation		
Increase in defined benefit obligation due to 1% increase in expected salary escalation rate	2.55	2.11
Decrease in defined benefit obligation due to 1% decrease in expected salary escalation rate	(2.39)	(1.97)

Change in defined benefit obligation due to 1% increase/ decrease in mortality rate, if all other assumptions remains constant is negligible

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

viii) Maturity profile of defined benefit obligation (Rs. in lakhs except as otherwise stated)

Particulars	As at	As at
	31st March, 2023	31st March 2022
Within next 12 months	7.76	7.53
Between 2 to 5 years	31.03	27.14
Above 5 years	41.00	30.91

ix) Enterprise best estimate of contribution during next year (Rs. in lakhs except as otherwise stated)

Particulars	As at	As at
	31st March, 2023	31st March 2022
Enterprise best estimate of contribution during next year	13.98	13.68

x) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

xi) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

xii) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefits obligation as a result of reasonable changes in key assumption occurring at the end of the reporting period.

xiii) The plan assets are maintained with Life Insurance Corporation of India (LIC).

c. The Company has also provided for leave encashment which is unfunded.

The following table summarize the amount recognised as expense in the statement of profit or loss and the total outstanding balance of compensated leaves as at 31st March, 2023

Leave Encashment (Unfunded) (Rs. in lakhs except as otherwise stated)

Particulars	As at	As at
	31st March, 2023	31st March 2022
Liability at the beginning of the year	26.81	16.47
Benefits paid during the year	(4.80)	(5.57)
Provided/(reversal) during the year	17.31	15.92
Liability at the end of the year	39.32	26.81

d. (i) Names of related parties and description of relationship:

S. No.	Names of parties	Nature of relationship
i)	Associate	Bharat Seats Limited
ii)	Joint Ventures	Toyo Sharda India Pvt. Ltd. Toyota Boshoku Relan India Pvt. Ltd.
iii)	Key management persons	Mr. Pranav Relan- Whole time director Mr. Ayush Relan - Whole time director Mr. Rohit Relan -Co. Chairman and director Mr. Sanjiv Kapur -Chairman and Director Mr. Rishabh Relan - Director Mr. Rajat Bhandari-Whole time director and Company Secretary Mr. Vinod Kumar -Chief Financial Officer Mrs. Shyamla Khera -Director Mrs. Vanita Chhabra-Director Mrs. Deepa Gopalan Wadhwa -Director Ms. Nitasha Sinha -Company Secretary upto 01/06/2021 Ms. Komal Jain -Company Secretary w.e.f. 02/06/2021 upto 01/10/2021
iv)	Enterprises over which key managerial personnel are able to exercise significant influence	Sharda Motor Industries Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

d. (ii) Transactions with related parties

(Rs. in lakhs except as otherwise stated)

Particulars	Year Ended 31st March, 2023	Year ended 31st March 2022
i) Sale of products		
Associate		
Bharat Seats Ltd.	27,259.04	21,365.06
Joint Venture		
Toyo Sharda India Pvt. Ltd.	0.07	9.71
	27,259.11	21,374.77
ii) Purchases of Material (including GST)		
Associate		
Bharat Seats Ltd.	114.97	37.07
Joint Venture		
Toyo Sharda India Pvt. Ltd.	1.24	0.73
	116.21	37.80
iii) Other Income:		
a) Interest Income:		
Associate		
Bharat Seats Ltd.	71.84	61.86
b) Dividend Income:		
Associate		
Bharat Seats Ltd.	72.00	45.00
Joint Venture		
Toyo Sharda India Pvt. Ltd.	15.00	12.00
c) Misc. Income:		
Enterprises over which key managerial personnel are able to exercise significant influence		
Sharda Motor Industries Ltd.		
Misc. income (on account of gratuity)	45.98	-
	204.82	118.86
iv) Remuneration to Key Managerial Persons		
Pranav Relan		
-Short term employee benefits	61.95	56.32
-Post employment benefits	6.43	5.44
Ayush Relan		
-Short term employee benefits	60.87	55.34
-Post employment benefits	6.34	5.37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Particulars	Year Ended 31st March, 2023	Year ended 31st March 2022
Rajat Bhandari		
-Short term employee benefits	74.51	60.51
-Post employment benefits	5.36	4.87
Vinod Kumar		
-Short term employee benefits	28.57	21.79
-Post employment benefits	1.91	1.55
Nitasha Sinha		
-Short term employee benefits	-	2.21
-Post employment benefits	-	0.09
Komal Jain		
-Short term employee benefits	-	1.93
-Post employment benefits	-	0.10
	245.94	215.51
v) Other Expenses :		
a) Freight Outward		
Associate		
Bharat seats Limited	18.60	16.94
b) Other expenses		
Associate		
Bharat seats Limited	114.43	0.30
c) Director Sitting Fees		
Non Executive/ Independent directors	24.00	28.40
	157.03	45.64
vi) Other Financial Assets		
Corporate loan given		
Associate		
Bharat Seats Ltd.	-	1,000.00
	-	1,000.00
vii) Purchase of property plant and equipment		
Associate		
Bharat Seats Ltd.	104.08	127.79
Joint Venture		
Toyo Sharda India Pvt. Ltd.	-	0.81
	104.08	128.60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Particulars	Year Ended 31st March, 2023	Year ended 31st March 2022
viii) Sale of property plant and equipment		
Associate		
Bharat Seats Ltd.	0.48	1.64
	0.48	1.64
ix) Purchase of Capital Work in Progress		
Associate		
Bharat Seats Ltd.	10.92	81.51
Joint Venture		
Toyo Sharda India Pvt. Ltd.	-	0.40
	10.92	81.91
x) Sale of Capital Work in Progress		
Associate		
Bharat Seats Ltd.	115.65	-
	115.65	-
xi) Payment of lease liabilities		
Associate		
Bharat Seats Ltd.	72.00	-
	72.00	-

Closing Balances at the year ended

i) Trade receivables		
Associate		
Bharat Seats Ltd.	1,109.58	2,870.75
	1,109.58	2,870.75
ii) Other financial assets		
Associate		
Bharat Seats Ltd.	1,000.00	1,000.00
	1,000.00	1,000.00
iii) Trade Payable		
Joint Ventures		
Toyo Sharda India Pvt. Ltd.	-	0.47
	-	0.47

*The remuneration to the key management personnel does not include the provision made for leave benefits, as it has been determined on an actuarial basis for the Company as a whole.

Terms and Conditions of transactions with related parties

The transactions with 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 settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

e. Segment Information

- In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance, allocates resources based on the analysis of the various performance indicator of the Company as a single unit), the operations of the Company falls under manufacturing of auto component parts, which is considered to be the only business reportable segment. further, the Company operates only in one geographical segment - India. (Refer to note no. 28.1)
- Major Customer: Revenue from two customers of the Company's manufacturing business are Rs. 37982.87 lakhs (31st March 2022 Rs. 21,365.06 lakhs) which is more than 10 percent of the Company's total revenue. No other single customer contributed 10% or more to the Company's revenue during the period.

f. Expenditure on corporate social responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). The Company has contributed a sum of Rs. 15 lakhs (31st March, 2022: 9 lakhs) towards education . The same is debited to the Statement of Profit and Loss.

(Rs. In Lakhs except as otherwise stated)

Details of CSR Expenditure				As at 31st March, 2023		As at 31st March 2022	
a)	Gross amount required to be spent by the Company during the year			14.32		8.72	
b)	Amount approved by the Board to be spent during the year			15.00		9.00	
c)	Amount spent during year	Amount spent		Yet to be spent		Total	
		2023	2022	2023	2022	2023	2022
	(i) Construction/ acquisition of any asset	-	-	-	-	-	-
	(ii) On purposes other than above	15.00	9.00	-	-	15.00	9.00

g. Financial instruments - fair values and risk management

l) Financial instruments by category and fair values

	As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investment in equity instrument (refer note no. 7(i))*	-	-	-
Investment in other equity instrument (refer note no. 7(ii))	90.31	-	-
Corporate Loan given (refer note no. 8(i) &(ii))	-	-	1,000.00
Security deposits (refer note no. 8(i) &(ii))	-	-	179.09
Trade receivables (refer note no. 12)	-	-	3,110.06
Cash and cash equivalents (refer note no. 13)	-	-	906.87
Bank balances other than above (refer note no. 14)	-	-	4,246.38
Interest accrued on fixed deposits (refer note no. 8(ii))	-	-	131.27
Total	90.31	-	9,573.67
Financial liabilities			
Borrowings (refer note no. 18 & 22)	-	-	184.65
Lease liabilities (refer note no. 19(i) &(ii))	-	-	3,187.63
Trade payables (refer note no. 23)	-	-	7,418.70
Others financial liability(refer note no. 24)	-	-	1,622.42
Total	-	-	12,413.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

	As at 31st March 2022		
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investment in equity instrument (refer note no. 7(i))*	-	-	-
Investment in other equity instrument (refer note no. 7(ii))	-	-	-
Corporate Loan given (refer note no. 8(i) &(ii))	-	-	1,000.00
Security deposits (refer note no. 8(i) &(ii))	-	-	147.37
Trade receivables (refer note no. 12)	-	-	3,045.95
Cash and cash equivalents (refer note no. 13)	-	-	91.18
Bank balances other than above (refer note no. 14)	-	-	5,053.75
Interest accrued on fixed deposits (refer note no. 8(ii))	-	-	156.90
Total	-	-	9,495.15
Financial liabilities			
Borrowings (refer note no. 18 & 22)	-	-	198.00
Lease liabilities (refer note no. 19(i) &(ii))	-	-	1,098.73
Trade payables (refer note no. 23)	-	-	4,069.80
Others financial liability(refer note no. 24)	-	-	420.56
Total	-	-	5,787.09

* Investment value excludes investment in associate of ₹ 90 lakhs and investment in joint ventures of ₹ 75 lakhs, which are shown at cost in balance sheet as per Ind AS 27 : Separate Financial Statements.

Note: The directors consider that the carrying amounts of investments in equity shares of others which have been recognised in the financial statements, as approximate their fair values.

II) Financial assets and liabilities measured at fair value - recurring fair value measurements

i) Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

	As at 31st March, 2023			
	Carrying Value	Level 1	Level 2	Level 3
Financial assets				
Assets carried at amortised cost for which fair values are disclosed				
Trade receivables	3,110.06	-	-	3,110.06
Cash and cash equivalents	906.87	-	906.87	-
Bank balances other than above	4,246.38	-	4,246.38	-
Investment in other equity instrument	90.31	90.31	-	-
Corporate loan given	1,000.00	-	-	1,000.00
Others financial assets	310.36	-	-	310.36
Financial liabilities				
Liabilities carried at amortised cost for which fair values are disclosed				
Borrowing	184.65	-	184.65	-
Lease Liabilities	3,187.63	-	-	3,187.63
Trade payables	7,418.70	-	-	7,418.70
Others financial liability	1,622.42	-	-	1,622.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

	As at 31st March 2022			
	Carrying Value	Level 1	Level 2	Level 3
Financial assets				
Assets carried at amortised cost for which fair values are disclosed				
Trade receivables	3,045.95	-	-	3,045.95
Cash and cash equivalents	91.18	-	91.18	-
Bank balances other than above	5,053.75	-	5,053.75	-
Corporate loan given	1,000.00	-	-	1,000.00
Others financial assets	304.27	-	-	304.27
Financial liabilities				
Liabilities carried at amortised cost for which fair values are disclosed				
Borrowing	198.00	-	198.00	-
Lease Liabilities	1,098.73	-	-	1,098.73
Trade payables	4,069.80	-	-	4,069.80
Others financial liability	420.56	-	-	420.56

ii) Measurement of fair value

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- (i) Unquoted equity and other investments: Fair value of same has not been derived as in the opinion of directors the carrying amounts of these investments approximate their fair values.
- (ii) Fair value of trade receivables, other current financial assets, trade payables, other current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments.

iii) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

h. Capital management

The Company's policy is to maintain a strong capital base so as to maintain confidence of investors, bankers, customers and vendors and to sustain future development of the business. The management monitors the return on capital and also monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total debts (including lease liability) less cash and cash equivalents. Equity comprises all components of equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The Company's adjusted net debt to equity ratio was as follows:

	As at 31st March 2023	As at 31st March 2022
Total Debt (refer note no. 18, 19(i), 19(ii) & 22)	3,372.28	1,296.73
Less: Cash and Cash equivalents (Refer to Note No. 13)	906.87	91.18
Adjusted net debt	2,465.41	1,205.55
Total equity (refer note no. 16 & 17)	21,792.31	19,120.50
Equity & net debt	24,257.72	20,326.05
Adjusted net debt to equity ratio	0.10	0.06

Note: in current financial year interest bearing liabilities are considered as debt

i. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Risk management framework:

The Company's principal financial liabilities other than derivatives comprise trade and other payables, employees related payables, interest accrued, security deposit and others. 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 includes security deposits, trade receivables, cash and cash equivalents, deposits with banks, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company's senior level management assess these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

All derivative activities for risk management purposes are carried out in line with the policy duly approved by board of directors. The execution of the policy is done by treasury department which has appropriate skills, experience and supervision.

I. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates - will affect the Company's financial position or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Company.

II. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers, foreign exchange transactions, deposits with banks and other financial instruments. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company primarily has the exposure from following type of customer:

- Original equipment manufacturers (OEMs)

Company has established a policy under which each new OEMs are analysed individually for creditworthiness before goods are sold to them. The Company's review includes due diligence by analysing financial statements, industry information, promoter's background and in some cases bank references. In case of sales, the Company has limited its credit exposure to OEMs and dealers by providing a maximum payment period up to 60 days.

The Company's expected probability of default is nil and all major payments are received on due dates without any significant delays.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The ageing analysis of trade receivables as of the reporting date is given in note no. 12

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables, loans and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties.

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

However, Company need not required to provide for any risk allowance on account of trade receivable being bad and not recoverable as the amount of outstanding pertaining to trade receivables which exceeds the credit period allowed by the Company is less than 2% of the total outstanding from them.

III. Liquidity risk

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

The Company's primary sources of liquidity include cash deposits, borrowings, undrawn committed credit facilities and cash flow from operating activities. The Company seeks to increase income from its existing operations by maintaining quality standards for its goods and services while reducing the related costs and by controlling operating expenses.

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. However, material changes in the factors described above may adversely affect the Company's net cash flows.

Exposure to liquidity risk:

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

March 31, 2023	Carrying Value	Contractual maturities		
		Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities				
Borrowings (including interest accrued but not due)*	185.26	31.11	185.07	-
Lease Liabilities*	3,187.63	483.87	2,192.19	1,633.87
Trade payables	7,418.70	7,418.70	-	-
Other Financial Liabilities	1,622.42	1,622.42	-	-
	12,414.01	9,556.10	2,377.26	1,633.87

March 31, 2022	Carrying Value	Contractual maturities		
		Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities				
Borrowings (including interest accrued but not due)*	198.66	31.11	216.18	-
Lease Liabilities*	1,098.73	156.00	684.45	693.68
Trade payables	4,069.80	4,069.80	-	-
Other Financial Liabilities	420.56	420.56	-	-
	5,787.75	4,677.47	900.63	693.68

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

*Carrying amount of borrowing is the sum of outstanding principal of loan (refer note no. 18 & 22) and interest accrued but not due (refer note no. 24). While contractual payment is the loan installments remaining to be paid as at reporting date. Carrying amount of lease liabilities is the discounted present value of principal of lease liabilities (refer note no. 19(i) & 19(ii)), while the contractual maturities represents the rental payments to be made over the remaining life of lease.

j. Lease

The Company has entered into leases for its commercial premises, duration of such leases is for 0-9 years. These lease agreements are normally renewed on expiry. At the date of commencement of the lease, the Company recognize lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The rental expense charged to statement of profit and loss is Rs. 6.17 lakhs (31st March 2022: 26.74 lakhs).

The weighted average incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application is 8.30%.

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

(Rs. in lakhs except as otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	1,098.72	443.64
Add: Creation of lease liability during the year	2,255.33	1,138.01
Less: Termination of lease liability during the year	-	430.71
Add: Accretion of interest	198.23	69.80
Less: Principal repayment of lease liability	166.43	52.21
Less: Payment of interest on lease liability	198.23	69.80
Closing balance	3,187.62	1,098.72
Non - current lease liability (Refer note 19(i))	2,946.92	1026.99
Current lease liability (Refer note 19(ii))	240.71	71.74
Details of Interest expense capitalised and charged to the Statement of Profit & Loss		
Interest expense capitalised	40.01	-
Interest expense charged to the Statement of Profit & Loss	158.22	69.80

k. Dividend Paid and Proposed:

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
69.80170251		
Final dividend declared and paid during the year		
Final Dividend for the year ended 31st March, 2022	148.66	59.46
Rs. 2.5 per equity share (31st March, 2021 Re.1 per equity share)		
Total	148.66	59.46
Proposed dividend on Equity Shares		
Proposed Dividend for the year ended 31st March, 2023	297.32	148.66
Rs.5 per equity share (31st March, 2022 Rs. 2.5 per equity share)		
Total	297.32	148.66

- i.** Subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, the board of directors has recommended issue of fully paid bonus share in ratio of 1:1, that is 1 equity share of Rs. 10 each for every 1 equity share of Rs. 10 each held by members as on the record date by capitalising such sums out of the free reserves and other permitted reserves of the Company. Consequent to the said issue of bonus shares, Issued, subscribed and paid up capital of the Company shall stand increased to a sum of Rs. 1,189.26 lakhs by capitalising a sum of Rs. 594.63 lakhs from free reserves

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

and/or permitted reserves. In order to execute the bonus issue, the board has also recommended to increase the authorised share capital of the Company to Rs. 2,400.00 lakhs (2,40,00,000 equity shares of Rs. 10 each). In the event of approval by the Shareholders of the proposed Bonus issue, post adjusting for this Bonus issue, the basic and diluted earnings per equity share would have been Rs. 23.63 per share and Rs. 12.52 per share for the year ended 31 March 2023 and 31 March 2022 respectively.

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m. In view of the management, the current assets (financial & other) 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.

n. Events occurring after balance sheet date:

There are no major events which has occurred after the balance sheet date.

o. Note no. 1 to 37 pertaining to balance sheet and statement of profit and loss form an integral part of the financial statements.

As per our report of even date

For **S S Kothari Mehta & Co.**
Chartered accountants
ICAI Registration No. 000756N

Neeraj Bansal
Partner
Membership no. 095960

Place : Delhi
Date : May 29, 2023

Rohit Relan
Co-Chairman & Director
Din: 00257572

Vinod Kumar
Chief Financial Officer

For and on behalf of Board of Directors

Pranav Relan
Whole Time Director
Din: 07177944

Rajat Bhandari
Executive Director and Company Secretary
Din: 02154950

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