



UNIPARTS  
GROUP

*Uniparts India Limited*

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Annual Report 2019-20

# CORPORATE INFORMATION

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## **Board of Directors**

Mr. Gurdeep Soni  
Chairman & Managing Director

Mr. Paramjit Singh Soni  
Vice Chairman & Director

Mr. Ashish Kumar Agarwal  
Nominee Director

Mr. Herbert Coenen  
Director

Mr. Alok Nagory  
Independent Director

Mr. Sharat Krishan Mathur  
Independent Director

Ms. Shradha Suri  
Independent Director

Mr. M. R. Umarji (Resigned w.e.f. 11<sup>th</sup> April 2020)  
Independent Director

## **Board Committees**

### Audit Committee

Mr. Sharat Krishan Mathur (C)  
Mr. Alok Nagory  
Mr. Ashish Kumar Agarwal

### Nomination & Remuneration Committee

Mr. Alok Nagory (C)  
Mr. Sharat Krishan Mathur  
Mr. Ashish Kumar Agarwal

### Corporate Social Responsibility Committee

Mr. Gurdeep Soni (C)  
Mr. Paramjit Singh Soni  
Mr. Sharat Krishan Mathur

### Stakeholders Relationship Committee

Mr. Sharat Krishan Mathur (C)  
Mr. Gurdeep Soni  
Mr. Ashish Kumar Agarwal

### Borrowing Committee

Mr. Gurdeep Soni (C)  
Mr. Paramjit Singh Soni  
Mr. Ashish Kumar Agarwal

### IPO Committee

Mr. Gurdeep Soni (C)  
Mr. Paramjit Singh Soni  
Mr. Ashish Kumar Agarwal

## **Group Chief Operating Officer**

Mr. Sudhakar Kolli

## **Group Chief Financial Officer**

Mr. Munish Sapra

## **Company Secretary**

Mr. Mukesh Kumar

## **Auditors**

M/s Rakesh Banwari and Co.  
Chartered Accountants

## **Internal Auditors**

Grant Thornton India LLP  
Chartered Accountants

## **Secretarial Auditors**

M/s Sanjay Grover & Associates  
Company Secretaries

## **Registrars and Share Transfer Agents**

Link Intime India Private Limited  
C 13, Pannalal Silk Mills Compound  
LBS Marg, Bhandup (West)  
Mumbai 400 078

Maharashtra, India

Tel : +91 22 2596 7878

Fax : +91 22 2596 0329

**Registered Office**

Gripwel House

Block 5, Sector C 6 & 7

Vasant Kunj

New Delhi-110 070

India

Tel: +91 11 2613 7979

Fax: +91 11 2613 3195

[Email: compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com)

[Website: www.unipartsgroup.com](http://www.unipartsgroup.com)

**Corporate Office**

Ground Floor, SB Tower

Plot No. 1A/1, Sector 16A,

Film City, Noida

Uttar Pradesh- 201 301

India

Tel: +91 120 458 1400

Fax: +91 120 458 1499

**Corporate Identity Number**

U74899DL1994PLC061753

# NOTICE OF THE 26<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 26<sup>th</sup> (Twenty Sixth) Annual General Meeting ("AGM") of the members of Uniparts India Limited ("the Company") will be held on Wednesday, the 30<sup>th</sup> day of September 2020 at 11.30 a.m. at the Registered Office of the Company at Gripwel House, Block-5, Sector C - 6 and 7, Vasant Kunj, New Delhi 110070, to transact the following businesses:

## Ordinary Business:

1. To receive, consider and adopt:
  - a. the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2020 together with the reports of the Board of Directors and the Auditors thereon; and
  - b. the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March 2020 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Paramjit Singh Soni (DIN 00011616), who retires by rotation at this Annual General Meeting for compliance with the requirements of Section 152 of the Companies Act, 2013 and, being eligible, has offered himself for re-appointment.

## Special Business:

3. To re-appoint Mr. Gurdeep Soni (DIN: 00011478) as Chairman & Managing Director of the Company and for the purpose, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 including any statutory modification or reenactment thereof, or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, consent of the members be and is hereby accorded to the appointment of Mr. Gurdeep Soni as Chairman & Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> April,

2021 till 31<sup>st</sup> March 2024, without any remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, including delegate such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution."

4. To ratify the Cost Auditors' remuneration for the Financial Year 2020-21 and for the purpose, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), the members hereby ratify the remuneration of ₹4,00,000 (Rupees Four Lacs Only) plus applicable tax and reimbursement of out of pocket expenses at actuals, for the financial year ended 2019-20 to M/s. Vijender Sharma & Co., Cost Accountants (Firm Registration No. 00180).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, including delegate such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution."

5. To approve and to amend the Uniparts Employee Stock Option Plan 2007 of the Company and for the purpose, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Share Capital and Debentures) Rules, 2014, including any statutory modification or re-enactment thereof, for the time being in force, the Memorandum and Articles of Association of the

Company, and such other rules, regulations and guidelines of any various statutory /regulatory authority (ies) that are or may become applicable from time to time and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Applicable laws”), and subject to any approval(s), consent(s), permission(s) and/or sanction(s) as may be required from appropriate regulatory authorities/institutions, the consent of the members be and is hereby accorded to amend the Uniparts Employee Stock Option Plan 2007 (‘ESOP Plan, 2007’ or ‘scheme’) as detailed in the explanatory Statement thereto, be and is hereby approved.”

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorized to take such steps as may be necessary and to settle all matters arising out of and incidental thereto and sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the resolution.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to submit the copy of the amended ESOP Scheme to any regulatory authority and to file necessary forms with the Registrar of Companies, NCT of Delhi & Haryana and to do all such acts, deeds and things as may be necessary or incidental to give effect to this resolution.”

**By order of the Board of Directors  
For UNIPARTS INDIA LIMITED**

Sd/-

**(Mukesh Kumar)  
Company Secretary**

**Place: New Delhi**

**Date: 29<sup>th</sup> August 2020**

**Registered Office:**

Gripwel House, Block-5,  
Sector C 6 and 7, Vasant Kunj, New Delhi-110070;

**Tel: +91 11 2613 7979**

**Fax: +91 11 2613 3195**

**Email: [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com)**

**Website: [www.unipartsgroup.com](http://www.unipartsgroup.com)**

#### **Corporate Office**

Ground Floor, SB Tower  
Plot No. 1A/1, Sector 16A,  
Film City, Noida  
Uttar Pradesh- 201 301  
India  
Tel: +91 120 458 1400  
Fax: +91 120 458 1499

#### **Corporate Identity Number**

U74899DL1994PLC061753

#### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS OF THE COMPANY NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE ANNUAL GENERAL MEETING. A PROXY FORM FOR THE ANNUAL GENERAL MEETING IS ENCLOSED.**
2. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days’ notice in writing of the intention so to inspect is given to the Company.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.

4. A statement pursuant to Section 102 of the Companies Act, 2013, with respect to Special Business set out in the Notice is annexed hereto.
5. The voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-Off Date ('Record Date') i.e. 25<sup>th</sup> September 2020. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.
6. Reappointment of Director: In terms of Section 152 of the Companies Act, 2013, Mr. Paramjit Singh Soni (DIN 00011616), Director, retires by rotation at the Meeting and being eligible, offer himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment. Mr. Paramjit Singh Soni himself and Mr. Gurdeep Soni, Chairman and Managing Director being brother of Mr. Paramjit Singh Soni are interested in the Ordinary Resolution set out at Item No. 2 of the Notice. Brief profile and other details of Mr. Paramjit Singh Soni is annexed to the Notice pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government. The Board of Directors recommends the ordinary resolution set forth in Item no. 2 of the Notice for the approval of the members.
7. All relevant documents referred to in the accompanying Notice and the Statement annexed pursuant to Section 102 of the Companies Act, 2013, including the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection in physical or in electronic form by the members at the Registered Office on all working days between 11.30 A.M. to 1.30 P.M. up to the date of the Annual General Meeting. Further, the copies thereof shall also be made available for inspection in physical or in electronic form at the Corporate Office of the Company on all working days between 11.30 A.M. to 1.30 P.M. up to the date of the Annual General Meeting.
8. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant(s).
9. Annual Report 2019-20 with Attendance Slip and Proxy form are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for FY 2019-20 are being sent by the permitted mode.
10. The Company has received the requisite consents/ declarations for the reappointment of Director.
11. Members may also note that the Notice of the 26<sup>th</sup> Annual General Meeting will also be available on the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com). The physical copies of the Notice of the 26<sup>th</sup> Annual General Meeting of the Company will also be available at the Company's Registered Office as well as Corporate Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com).
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. In case of any query relating to the Annual Accounts, the members are requested to send the same to the Company Secretary at the Corporate Office of the Company at least 10 days before the date of Annual General Meeting, so as to enable the management to keep the information ready for replying at the meeting.
14. The complete particulars of the venue of the Meeting, including route map and prominent landmark for easy location, also forms part of this notice.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

### **ITEM NO. 3**

Mr. Gurdeep Soni, aged 65 years, is the Chairman and Managing Director of the Company and has been associated with the Company since its incorporation. He was appointed as a Director of the Company on September 26, 1994. He holds a master of management studies degree from Birla Institute of Technology and Science, Pilani. He has approximately 41 years of work experience in different roles within the Uniparts Group. He has been actively involved in the day-to-day operations of the Company and is responsible for the aftermarket business of the Group.

Mr. Gurdeep Soni was appointed as "Chairman & Managing Director" of the Company, for a period of 3 years with effect from 1<sup>st</sup> April 2018 without any remuneration.

As the current term of appointment of Mr. Gurdeep Soni is expiring on 31<sup>st</sup> March, 2021, Board of Directors, on the recommendations of Nomination & Remuneration Committee, have approved the reappointment of Mr. Gurdeep Soni as Chairman & Managing Director of the Company, for a further period of 3 (three) years effective from 1<sup>st</sup> April 2021, without any remuneration.

He is presently drawing remuneration from Gripwel Fasteners Private Limited, a wholly owned subsidiary of the Company.

Directorships in other Companies as on 31<sup>st</sup> March 2020:

#### Indian Companies

- a. Gripwel Fasteners Private Limited
- b. Sweaty Spirit Apparel Limited (Formerly known as Ace Tractor Parts Limited)
- c. G K P Farms Private Limited
- d. SKG Engineering Private Limited
- e. Amazing Estates Private Limited
- f. Tima Trading Private Limited
- g. SGA Trading Private Limited
- h. Uniparts Engineering Private Limited
- i. Bluebells Homes Private Limited (Formerly known as Oilintec Private Limited)
- j. Vivify Net Private Limited
- k. Silveroak Estate Private Limited

#### Companies incorporated outside India

- a. Uniparts USA Limited
- b. Uniparts Olsen Inc.
- c. Uniparts Europe B.V.

No. of board meetings attended during the financial year 2019-20: Mr. Gurdeep Soni has attended all the 3 (three) board meetings held during the financial year 2019-20.

Date of first appointment on the Board of the Company: 26<sup>th</sup> September 1994

Shareholding:

Mr. Gurdeep Soni holds 149,55,570 (33.14%) shares in the Company.

Board Committees positions in other companies:

Mr. Gurdeep Soni does not hold any membership/ chairmanship of Board Committees of any other company.

Relationship(s) with other directors and Key Managerial Personnel: Mr. Paramjit Singh Soni and Mr. Gurdeep Soni, are brothers.

None of the Directors (except Mr. Paramjit Singh Soni), Key Managerial Person or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary resolution set forth in Item no. 3 of the Notice for the approval of the members.

**ITEM NO. 4**

The Board of Directors, on the recommendation of the Audit Committee, have approved the reappointment of M/s. Vijender Sharma & Co., Cost Accountants (Firm Registration No. 00180), as the Cost Auditors of the Company for the financial year 2020-21 at a remuneration of ₹ 400,000/- (Rupees Four Lacs Only), excluding tax (as applicable) and reimbursement of out of pocket expenses incurred by the Cost Auditors on actual basis.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors.

None of the Directors, Key Managerial Person or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary resolution set forth in Item no. 4 of the Notice for the approval of the members.

**ITEM NO. 5**

The members are apprised that the Uniparts Employee Stock Option Plan 2007 ('ESOP Plan, 2007' or "ESOP Scheme" or "Scheme") of the Company, was approved by its Shareholders by way of Special resolution on 2<sup>nd</sup> February 2007 and was further amended by its shareholders by way of special resolution on 27<sup>th</sup> November, 2018. As the Company was earlier proposing to undertake an initial public offering of shares of the Company, the ESOP Scheme was accordingly prepared to comply with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the "SEBI (SBEB) Regulations") and related circulars.

Since, the Company is not listed on any recognized Stock Exchange, the Board of Directors of your Company recommends to amend the ESOP Scheme to comply only with the applicable provisions of the Companies Act, 2013, to the extent notified, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable rules. As per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the necessary amendments and variations to the ESOP Scheme need to be approved by the shareholders of the Company by way of a special resolution and accordingly the same is being placed before the shareholders for their approval. The amended ESOP Scheme shall be applicable from the date of passing of this resolution.

The Nomination & Remuneration Committee and Board of Directors vide their resolution passed on 29<sup>th</sup> August 2020 has approved the amendments proposed in the Scheme.



The salient features of the ESOP Scheme, 2007 of the Company are given in the table herein below:

a.	Brief Description of the Scheme(s)	The ESOP Scheme has already been approved by the shareholders. The variation in the above Plans are proposed to in compliance with provisions of Companies Act, 2013.									
b.	Total number of options to be granted	The stock options under the ESOP Scheme of the Company can be granted as per Uniparts Employee Stock Option Plan 2007 ('ESOP Plan, 2007' or 'scheme')									
c.	Identification of the classes of employees entitled to participate in Employees Stock Option Program, 2007 ('ESOP')	<p>Following class of employees are entitled to participate in the ESOP 2007:</p> <p>(a) permanent employees of Company who has been working in India or outside India; or</p> <p>(b) directors of the company whether a whole time director or not (excluding the independent directors);</p> <p>(c) an employee as defined in sub clauses (a) or (b) of a subsidiary, in India or outside India, or of a Holding Company (as defined hereinafter) of the Company but does not include:-</p> <ol style="list-style-type: none"> <li>i. An employee, who is a promoter or a person belongs to the promoter group; or</li> <li>ii. A director who either by himself or through his relatives (as defined hereinafter) or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the company.</li> </ol>									
d.	The appraisal process for determining the eligibility of employees to ESOP 2007	As determined by the Nomination and Remuneration Committee.									
e.	Requirement of Vesting and Period of Vesting	<table border="1"> <thead> <tr> <th>Percentage of option vested</th> <th>Date of vesting</th> </tr> </thead> <tbody> <tr> <td>33%</td> <td>24 months from the date of grant</td> </tr> <tr> <td>33%</td> <td>36 months from the date of grant</td> </tr> <tr> <td>34%</td> <td>48 months from the date of grant</td> </tr> </tbody> </table>	Percentage of option vested	Date of vesting	33%	24 months from the date of grant	33%	36 months from the date of grant	34%	48 months from the date of grant	
Percentage of option vested	Date of vesting										
33%	24 months from the date of grant										
33%	36 months from the date of grant										
34%	48 months from the date of grant										
f.	Maximum period within which the options shall be vested	48 months from the date of grant									
g.	Exercise Price or pricing formula	"Exercise Price" means the price determined by the Nomination and Remuneration Committee payable by the option grantee for issue of shares against the options granted to him and vested in him in pursuance of this plan.									
h.	Exercise period and the process of Exercise	The employees shall exercise the vested options before the closing date, unless otherwise specified by the Nomination and Remuneration Committee, at its sole discretion.									

		<p>The vested options not duly exercised within the exercise period shall lapse.</p> <p>The vested options shall be exercisable according to the terms and conditions as determined and amended under this scheme. The Employees shall exercise his options within the exercise period from the date of vesting.</p> <p>The option grantee, may, at any time during the exercise period, and subject to fulfillment of the conditions on which the options have been granted, exercise the vested options by submitting an application along with the exercise price and the applicable taxes.</p> <p>Upon completion of a valid exercise of options, the trust shall transfer the shares to the grantee as per this plan and the terms specified by the Nomination and Remuneration Committee.</p>
i.	Lock in Period	Nil
j.	Maximum number of options/Shares to be granted per employee and in aggregate	The maximum number of options that can be granted to any eligible employee during any one year shall not be equal to or exceed 1% of the issued share capital of the Company at the time of grant of options except subject to the separate approval of the shareholders in a general meeting.
k.	The method which the company shall use to value its options	As determined by the Nomination and Remuneration Committee.
l.	The conditions under which option vested in employees may lapse	<p>The options will lapse if the employment is terminated prior to vesting. Even after the options are vested, the unexercised options may be forfeited if the employee is terminated for gross misconduct</p> <p>In the event of resignation or termination of employment, all options not vested in the employee as on that day shall expire. However, the employee can exercise the options granted to him which are vested within the period specified in this behalf, subject to the terms and conditions under the scheme granting such options as approved by the Board.</p>
m.	The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee; and	As determined by the Nomination and Remuneration Committee.
n.	Statement to the effect that the Company shall comply with the applicable accounting standards.	The company will comply with the applicable accounting standards.
o.	Implementation of ESOP 2007	The Company has constituted a trust, known as the Uniparts ESOP Trust ("the Trust") as an irrevocable private trust under the Indian Trust Act, 1882. The Trust shall administer and implement the ESOP Scheme 2007 in accordance with the directions given by the Nomination and Remuneration Committee from time to time under this scheme.

p.	Rationale for the variation and the details of the employees who are beneficiaries of such variation.	Since, the Company is not listed on any recognized Stock Exchange, the scheme has been amended to bring it in compliance of only Companies Act, 2013 and the rules made thereunder. The varied terms are not prejudicial to the interest of option holders. The beneficiaries of such variation are the Employees as defined in the amended ESOP Scheme.																
q.	The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares.	All the participant employees of the Plan and their nominees and successors as the case may be.																
r.	The particulars of the trustee or employees in whose favor such shares are to be registered.	Mr. Vivek Maheshwari, Mr. Sameer Malhotra and Mr. Lavan Kumar Gupta (Trustees of Uniparts ESOP Trust)																
s.	The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any.	<p>The name of the trust is "The Uniparts Employee Stock Option Plan Trust" also known as "Uniparts ESOP Trust". The office of the Trust is situated at Gripwel House, Block 5, Sector C, Vasant Kunj, New Delhi-110070. Name, address, occupation and nationality of trustees:</p> <table border="1" data-bbox="715 824 1465 1238"> <thead> <tr> <th>Name</th> <th>Address</th> <th>occupation</th> <th>Nationality</th> </tr> </thead> <tbody> <tr> <td>Mr. Vivek Maheshwari</td> <td>45-B, Pocket-C, Sidhartha Extn, DDA Flats, Delhi</td> <td>Service</td> <td>Indian</td> </tr> <tr> <td>Mr. Lavan Kumar Gupta</td> <td>B-6, Sector-7, Rohini, Delhi</td> <td>Service</td> <td>Indian</td> </tr> <tr> <td>Mr. Sameer Malhotra</td> <td>B-6, Sector-7, Rohini, Delhi</td> <td>Service</td> <td>Indian</td> </tr> </tbody> </table> <p>Trustees are not related with the promoters, directors or key managerial personnel of the Company.</p>	Name	Address	occupation	Nationality	Mr. Vivek Maheshwari	45-B, Pocket-C, Sidhartha Extn, DDA Flats, Delhi	Service	Indian	Mr. Lavan Kumar Gupta	B-6, Sector-7, Rohini, Delhi	Service	Indian	Mr. Sameer Malhotra	B-6, Sector-7, Rohini, Delhi	Service	Indian
Name	Address	occupation	Nationality															
Mr. Vivek Maheshwari	45-B, Pocket-C, Sidhartha Extn, DDA Flats, Delhi	Service	Indian															
Mr. Lavan Kumar Gupta	B-6, Sector-7, Rohini, Delhi	Service	Indian															
Mr. Sameer Malhotra	B-6, Sector-7, Rohini, Delhi	Service	Indian															
t.	Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof.	Key Managerial Personnel, Directors or Promoters may be interested in the Scheme to the extent of the options that may be granted to them under the ESOP Plan, 2007.																
u.	The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme.	Conferring Benefits to the employees by way of receiving shares or options in shares of the Company as a part of the proposed plan, for providing better motivation to such beneficiaries and for purposes of implementing the proposed plan.																
v.	The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised.	<p>The Shares shall rank pari passu with the existing Shares of the Company in all respects. An Option Grantee shall not have a right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Options Granted to him / her, till Shares are transferred to him / her on exercise of the Options.</p> <p>The decision of the Nomination and Remuneration Committee on any of the above matters including the date of Exercise of Options will be final and binding on the eligible Employees.</p>																

## DETAILS OF VARIATIONS IN THE SCHEME

The details of the major variations in the Scheme are as under:

Clause No	Existing Provision	New Provision
	<b>Definitions</b>	
11.1	<i>Applicable Laws</i> includes every law, rule, statute, regulations or bye-laws relating to employee stock options, including without limitation, the Companies Act, 1956 (to the extent not replaced by the notified provisions of the Companies Act, 2013), the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (“ <b>SEBI SBEB Regulations</b> ”), circular dated June 16, 2015 issued by the Securities and Exchange Board of India (“ <b>SEBI</b> ”) with respect to SEBI SBEB Regulations and all relevant laws, rules, regulations, bye-laws of India and includes any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws.	<i>Applicable Laws</i> includes every law, rule, statute, regulations or bye-laws relating to employee stock options, including without limitation, the Companies Act, 1956 (to the extent not replaced by the notified provisions of the Companies Act, 2013), the Companies Act, 2013, and all relevant laws, rules, regulations, bye-laws, as may be applicable in India and includes any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws.
11.1	<i>Independent Director</i> means an independent director as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).	<i>Independent Director</i> means an independent director as defined under the Companies Act, 2013.
11.1	<i>Promoter</i> shall have the meaning ascribed to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.	<i>Promoter</i> means a person –  (a) who has been named as such in a prospectus or is identified by the company in the annual return referred to in section 92; or  (b) who has control over the affairs of the company, directly or indirectly whether as a shareholder, director or otherwise; or  (c) in accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act:  Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity.
11.1	Promoter <i>Group</i> shall have the same meaning ascribed to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time	<b>Promoter Group</b> , as the Companies Act, 2013 does not define the term Promoter Group, therefore all the legal heirs of the promoters shall be treated as a part of Promoter Group.
11.1	<i>Recognized Stock Exchange</i> means stock exchange in India recognized by Securities Board and Exchange Board of India or	Deleted

	stock exchange outside India recognized by similar regulatory authorities of the countries outside India.	
11.1	<i>Secondary Acquisition</i> shall have the same meaning ascribed to it under the SEBI SBEB Regulations.	Deleted
11.1	The definitions as given in this Clause are for the purposes of interpretation of this Plan only and should not be used for any other purpose. All other expressions unless defined herein shall have the same meaning as have been assigned to them under the SEBI SBEB Regulations or Securities and Exchange Board of India Act, 1992 or the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 or any statutory modification or re-enactment thereof, as the case may be.	The definitions as given in this Clause are for the purposes of interpretation of this Plan only and should not be used for any other purpose. All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Companies Act 2013 and rules made thereunder.
14.1	<b>Administration of this Plan</b>	
	The Nomination and Remuneration Committee will be considered as compensation committee for all purposes under the SEBI SBEB Regulations.	Deleted
14.3	<b>Powers</b>	
	Re-pricing of the Options which are not Exercised, whether or not they have been vested if Stock Option rendered unattractive due to fall in the Market Price of the Shares;	Re-pricing of the Options which are not Exercised, whether or not they have been vested if Stock Option is rendered unattractive.
	For this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered;	Deleted
	The Nomination and Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws including:  a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and  b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by any Employee.	The Nomination and Remuneration Committee shall frame suitable policies and procedures to ensure that there is no violation of the Applicable laws.
14.4	<b>ESOP Trust</b>	
	The Trustees shall cause the Trust to make disclosures and comply with the other requirements applicable under the SEBI (Prohibition of Insider Trading)	Deleted

	Regulations, 2015 or any modification or re-enactment thereto.	
	<p>The Trust shall not deal in derivatives, and shall undertake only delivery based transactions for the purposes of Secondary Acquisition as permitted by Applicable Laws.</p> <p>Provided that any Secondary Acquisition of Shares of the settlor shall be in compliance with the SEBI SBEB Regulations (including Regulations 3(10), 3(11) and 3(13)).</p>	<p>The Trust shall not deal in derivatives, and shall undertake only delivery based transactions for the purposes of Secondary Acquisition as permitted by Applicable Laws.</p> <p>Provided that any Secondary Acquisition of Shares of the settlor shall be in compliance with the Applicable Laws.</p>
	The Trust shall not become a mechanism for trading in Shares and hence shall not sell the Shares in secondary market except as permitted under the SEBI SBEB Regulations.	The Trust shall not become a mechanism for trading in Shares and hence shall not sell the Shares in secondary market except as permitted under the Applicable Laws.
16.1	<b>Vesting plan</b>	
	<p>Provided that in case where Options are granted under the Scheme in lieu of options held by a person under an employee stock option scheme in another company which has merged or amalgamated with the Company, the period during which the Options granted by the transferor company were held by him shall be adjusted against the minimum vesting period required under the SEBI SBEB Regulations.</p>	<p>Provided that in case where Options are granted under the Scheme in lieu of options held by a person under an employee stock option scheme in another company which has merged or amalgamated with the Company, the period during which the Options granted by the transferor company were held by him shall be adjusted against the minimum vesting period required under the Companies Act, 2013.</p>
	<p>Notwithstanding anything to the contrary in this Plan, the Nomination and Remuneration Committee shall in its absolute discretion, vary or alter the Vesting Period and/or the date of Vesting for the Employees, subject to the SEBI SBEB Regulations.</p>	<p>Notwithstanding anything to the contrary in this Plan, the Nomination and Remuneration Committee shall in its absolute discretion, vary or alter the Vesting Period and/or the date of Vesting for the Employees, subject to the provisions of Companies Act, 2013.</p> <p>It is further clarified that Nomination and Remuneration Committee may reduce the Vesting Period by such time, which shall not be less than the minimum Vesting Period prescribed under applicable law.</p>
16.2	<b>Exercise of Vested Options</b>	
	The Grantee can Exercise the vested Options subject to the adherence of Insider Trading Code of Conduct of the Company and other Applicable Laws.	Deleted
	Subject to Applicable Laws, the Shares once acquired pursuant to Options would not be subject to any lock-in period and the concerned shareholder shall be free to transfer them at any time. However, designated employees and Directors of the	Subject to Applicable Laws, the Shares once acquired pursuant to Options would not be subject to any lock-in period and the concerned shareholder shall be free to transfer them at any time.

	Company will need to abide by the SEBI (Prohibition of Insider Trading) Regulations, 2015.	
17.3	<b>Exercise Price</b>	
	The Exercise Price of the Options shall be determined by the Nomination and Remuneration Committee subject to compliance with the provisions of the SEBI SBEB Regulations. Such Exercise Price will be intimated to the eligible Employee at the time of Grant of Options to them.	The Exercise Price of the Options shall be determined by the Nomination and Remuneration Committee subject to compliance with the provisions of the Companies Act, 2013. Such Exercise Price will be intimated to the eligible Employee at the time of Grant of Options to them.
19	<b>Termination of employment</b>	
	Due to voluntary resignation on the part of the Grantee or on completion of the period of contract of his employment (or other service), then the Grantee shall have the right to Exercise the Options that have vested until the date of resignation, prior to separation from the Company. The Employee must exercise the vested Options within three months in case of voluntary resignation and six months in case of completion of the period of contract of his employment (or other service).	Due to voluntary resignation on the part of the Grantee or on completion of the period of contract of his employment (or other service), then the Grantee shall have the right to Exercise the Options that have vested until the date of resignation, prior to separation from the Company. The Employee must exercise the vested Options within three months in case of voluntary resignation and six months in case of completion of the period of contract of his employment (or other service).  Provided that Nomination and Remuneration Committee may extend the period of three months or six months, as the case may be, as it may deem appropriate.
28.8	<b>Insider Trading</b>	
	The Employee shall ensure that there is no violation of: <ul style="list-style-type: none"> <li>• Insider trading regulations and the code of conduct formulated by the Company thereunder.</li> <li>• Other applicable restrictions for prevention of fraudulent and/or unfair trade practices relating to the securities market.</li> <li>• The Employee shall keep the Company, the Board and the Nomination and Remuneration Committee, fully indemnified in respect of any liability arising for violation of the above provisions.</li> </ul>	Deleted
28.11	<b>Winding up of this Scheme</b>	
	In the event of winding up or expiration of this Scheme, the excess monies or Shares outstanding in the Uniparts ESOP Trust after meeting all obligations, if any, shall be utilized for repayment of loan or by way	In the event of winding up or expiration of this Scheme, the excess monies or Shares outstanding in the Uniparts ESOP Trust after meeting all obligations, if any, shall be utilized for repayment of loan or by way of distribution to the Employees on

	of distribution to the Employees on the recommendation of the Nomination and Remuneration Committee in accordance with the SEBI SBEB Regulations.	the recommendation of the Nomination and Remuneration Committee in accordance with the Companies Act, 2013.
28.12	<b>Certificate from Auditors</b>	
	The Board shall at each annual general meeting, place before the shareholders a certificate from the auditors of the Company that this Scheme has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company in the annual general meeting.	Deleted
28.13	In respect of this Scheme, the Company and the Trust shall conform to the applicable accounting policies specified in the SEBI SBEB Regulations. The matters not provided for in this Scheme shall be governed by the provisions of the SEBI SBEB Regulations. Further to the extent of any inconsistency between this Scheme and the SEBI Regulations, the provisions of the SEBI SBEB Regulations shall prevail over this Scheme.	In respect of this Scheme, the Company and the Trust shall conform to the applicable accounting policies specified in the Companies Act, 2013 and rules made thereunder. The matters not provided for in this Scheme shall be governed by the provisions of the Companies Act, 2013. Further to the extent of any inconsistency between this Scheme and the Companies Act, 2013, the provisions of the Companies Act, 2013 shall prevail over this Scheme.

The members are further informed that the complete amended ESOP Scheme in compliance with the Provision of Companies Act, 2013 is available for inspection at the Company's Registered Office between 11.00 a.m. and 1.00 p.m. on all working days from the date hereof up to the date of the Meeting.

The approval of the Members is being sought by way of a Special Resolution under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, for the amendment of the existing Scheme.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in this resolution, except to the extent of the options that may be granted to them under the ESOP Plan, 2007, as per applicable laws.

The Board of Directors recommend the Resolution at Item No. 5 of the accompanying Notice, for the approval of the Members of the Company.

**Additional information of the director recommended for re- appointment (in pursuance of Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government)**

**ITEM NO. 2**

Brief Profile of Mr. Paramjit Singh Soni Mr. Paramjit Singh Soni, aged 60 years, is the Vice Chairman and Executive Director of the Company and has been associated with our Company since its incorporation. He was appointed as Director of the Company on September 26, 1994. He holds bachelor's degree in commerce from the University of Delhi. He has 38 years of work experience in different roles within the Uniparts Group and is presently based in the USA. He is responsible for the OEM business of the Uniparts Group and also actively involved in the formulation of corporate strategy and planning and concentrates on the inorganic growth and diversification plans of the Company.

As Mr. Paramjit Singh Soni, Executive Director of the Company, being longest in office, will retire by rotation at the ensuing annual general meeting of the Company, therefore to ensure compliance with the provisions of Section 152 of the Companies Act, 2013, his re-appointment shall not constitute a break in his office as Director of the Company.

He presently draws his remuneration from Uniparts USA Limited, a wholly owned subsidiary of the Company. Mr. Paramjit Singh Soni is not drawing any remuneration from Uniparts India Limited.



Directorships in other Companies as on 31st March 2020:

**Indian Companies**

- a. G K P Farms Private Limited
- b. SKG Engineering Private Limited
- c. Sweaty Spirit Apparel Limited (Formerly known as Ace Tractor Parts Limited)
- d. Amazing Estates Private Limited
- e. Tima Trading Private Limited
- f. Gripwel Fasteners Private Limited

Companies incorporated outside India

- a. Uniparts USA Limited
- b. Uniparts Olsen Inc.
- c. Uniparts Europe B.V.

No. of board meetings attended during the financial year 2019-20: Mr. Paramjit Singh Soni has attended 1 (one) board meetings held during the financial year 2019-20.

Shareholding:

Mr. Paramjit Singh Soni holds 10,00,000 (2.22%) shares in the Company.

Board Committees positions in other companies:

Mr. Paramjit Singh Soni does not hold any membership/ chairmanship of Board Committees of any other companies

Relationship(s) with other directors and Key Managerial Personnel: Mr. Paramjit Singh Soni and Mr. Gurdeep Soni, are brothers.

None of the Directors (except Mr. Gurdeep Soni), Key Managerial Person or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the ordinary resolution set for the in Item No. 2 of the Notice for the approval of the members.

**By order of the Board of Directors  
For UNIPARTS INDIA LIMITED**

**Registered Office:**

Gripwel House, Block-5,  
Sector C 6 and 7, Vasant Kunj, New Delhi-110070;  
Tel: +91 11 2613 7979  
Fax: +91 11 2613 3195  
Email: compliance.officer@unipartsgroup.com  
Website: www.unipartsgroup.com

Sd/-  
(Mukesh Kumar)  
Company Secretary

**Place: New Delhi**

**Date: 29<sup>th</sup> August 2020**

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 26<sup>th</sup> (Twenty Sixth ) Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31<sup>st</sup> March 2020 is summarized below:

#### Standalone Financial Performance:

(Amount in ₹ million)

Particulars	2019-20	2018-19
Net Revenue from Operations	5,378.62	6,530.09
Other Income	73.02	62.98
Total Revenue	5,451.64	6,593.07
Total Expenses	5,296.53	6,296.95
Profit Before Prior Period Items and Tax	155.11	296.12
Profit Before Tax	155.11	296.12
Total Tax Expenses	(2.56)	61.69
Profit for the year	157.67	234.43
Add: Balance in Profit and Loss Account	1,313.09	1,200.03
Re-measurement of defined benefit obligations (net of tax)	5.63	(4.66)
Transitional Impact of IndAS116	(7.16)	-
Transfer from SEZ reinvestment reserve	33.96	-
Sub-Total	1,503.19	1,429.80
Less: Appropriations	54.63	116.71
Balance carried to Balance Sheet	1,448.56	1,313.09

The Net Revenue from Operations on standalone basis stood at ₹ 5378.62 million for the FY 2019-20 in comparison to ₹ 6530.09 million for the FY 2018-19 which is 17.63% lower vs previous FY. The Company on standalone basis posted Profit after Tax of ₹ 157.67 million in FY 2019-20 as against Profit after Tax of ₹ 234.43 million in the previous FY 2018-19.

#### Consolidated Financial Performance:

(Amount in ₹ million)

Particulars	2019-20	2018-19
Net Revenue from Operations	9,072.20	10,605.66
Other Income	316.18	19.12
Total Revenue	9,388.38	10,624.78
Total Expenses	8,644.33	9,704.37
Profit Before Prior Period Items and Tax	744.05	920.41
Profit Before Tax	744.05	920.41
Total Tax Expenses	116.50	220.18
Profit for the year	627.53	700.23
Add: Balance in Profit and Loss Account	3,543.64	3,014.91
Re-measurement of defined benefit obligations (net of tax)	7.04	(7.10)
Transitional Impact of IndAS116	(10.51)	-
Transfer from Special Economic Zone re-investment reserve	38.16	-
Sub-Total	4,205.86	3,708.04
Less: Appropriations	65.29	164.40
Balance carried to Balance Sheet	4,141.57	3,543.60

The consolidated Net Revenue from Operations stood at ₹ 9,072.20 million for the FY 2019-20 in comparison to ₹ 10,605.66 million for the FY 2018-19 which is 14.45% lower vs previous FY. The

Company posted a consolidated Profit after Tax of ₹ 627.53 million in FY 2019-20 as against consolidated Profit after Tax of ₹ 700.23 million in the previous FY 2018-19.

### **Business overview and revenue split:**

The Company and its subsidiaries ("Uniparts Group" or "the Group") is a global manufacturer and supplier of engineering systems, solutions, assemblies and components, including 3-point linkage systems ("3PL") and precision machined parts ("PMP"), primarily catering to off-highway vehicles ("OHVs") in the agriculture, and construction, forestry and mining ("CFM") sectors. In addition to the established product verticals, 3PL and PMP, Uniparts Group has a presence in the complementary product verticals of hydraulic cylinders and power take off ("PTO") applications. During the reported year FY 2019-20, Uniparts Group's 3PL sales contributed 48.7% and PMP sales contributed 49.8% while the other emerging product verticals i.e. HYD, PTO and FAB contributed the remaining 1.6% to total finished goods sales.

The Group has a global footprint and has been serving "Original Equipment Manufacturers" ("OEM") across geographies in North and South America, Europe, Asia and Australia, including India. Over the years, our global service delivery model has evolved as an effective solution for customers seeking to rationalize their global sourcing and supply chain by providing them multiple choices in the form of Local Deliveries, Direct Exports and Warehouse Sales, while at the same time helping us to align our costs and margins. We primarily serve OEMs, through our global service delivery model based on our dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions. The Group globally operates in total six manufacturing facilities (out of which five are in India and one is in the United States) and three warehouses, one distribution facility and one raw material storage space is located across three continents, which are strategically located in proximity to several global

OEMs in the OHV industry. During the reported year FY 2019-20, Uniparts Group's warehouses contributed 42.6% to the total finished goods sales, as compared to 40.05% in FY 2018-19, which is in line with the management's overall strategy of increasing the proportion of warehousing sales and leveraging the established Global Service Delivery Model. Direct Exports constituted 23.7% and Local Deliveries (i.e. sales from our manufacturing facilities in their respective domestic markets) constituted 33.8% of the Group's finished goods sales in FY 2019-20.

The Group also caters to the aftermarket requirements of its customers providing replacements of 3PL parts to organized aftermarket retailers and distributors in North America, Europe, South Africa and Australia. By means of servicing aftermarket segment customers, the Group's products find indirect access to a large set up of retail stores across geographies for aftermarket components. During the reported financial year FY 2019-20, aftermarket segment contributed about 15.3% to the overall sales mix of the group.

Your management has been focusing on de-risking and diversifying the business and revenue profile while staying course to its OHV focus. Sales to Agriculture Sector constituted 61.2% of the total finished goods sales in FY 2019-20 while CFM Sector constituted 38.3% of the total finished goods sales in the reported financial year. In terms of geographical spread of Group's sales, the Americas region constituted 59.5% of the total FG sales. Europe, India and Japan contributed 18.9%, 13.1% and 4.8%, respectively, with remaining 3.6% coming from ROW.

The Group has long-term relationships with multiple marquee global customers and some of these associations are over 15 years old. Some of the more recently added accounts have also been demonstrating increasing traction and growing relationship. The strength of customer relationships is attributable to ability to customize to customer specifications and requirements, as well as the Group's track record of consistent delivery of

quality and cost-effective products and solutions over the years. Our largest customer constituted 39.0% of our total finished goods sales during the reported year while total sales to top 5 customers accounted for 64.4%. One of the recently added account has also made it to the top 5 customers which goes on to demonstrate the growth potential with newer relationships as well.

#### **Financial and Operational highlights:**

During the period under review, the global economy witnessed significant sluggishness. Various sectors of the economy including Agriculture and CFM equipment faced headwinds of several kinds ranging from US-China trade stand-off to Brexit to domestic demand slowdown in India and also the onset of Covid-19 global pandemic. Amidst the challenging macro economic backdrop, the total revenue of the group during the reported financial year was INR 9388 million as compared to INR 10,624 million in FY 2018-19. The reported EBITDA during the same period has been INR 1278 million which reflects a 13.6% margin against 12.5% margin for corresponding previous year FY2018-19.

During the challenging demand environment throughout the year, amongst multiple operational priorities, your management remained highly focused on improving cashflow and strengthening the liquidity position of the company. As a result of this, we closed the reported year FY2019-20 with 29.8% (INR 935 million) lower overall group net borrowings (net of cash equivalents). The healthy improvement in overall borrowing position also placed the company in a significantly better state when it came to dealing with an unprecedented situation such as Covid-19 pandemic and resulting lockdowns.

The unfolding of Covid-19 global pandemic and its impact on reported year's operations as well as that of the following year are important to be understood as much as it is to appreciate the response of our management and entire workforce towards the situation. Company's Indian factory operations were fully shutdown starting 23<sup>rd</sup> of March 2020 and

the shutdown continued well into the following financial year. Our German operations witnessed partial shutdown while USA operations continued with stringent safety measures.

The management responded swiftly to the situation by simultaneously activating deliberations and actions on multiple fronts including but not limited to (i) Customer engagement, (ii) Safety and protection of people and property, (iii) Stabilize operations and managing supply chain, (iv) Financial stress tests, (v) Cost rationalization and (vi) Assessment of and participation in applicable support programs in the geographies of company's operations (e.g. Paycheck Protection Program in the USA). Team's agile response on multiple fronts ensured that company's operations are returning back to normal in a smooth manner post the gradual lifting of lockdowns in phased way.

The management takes this opportunity to thank each of its staff members, workmen and business partners for their complete support during the unprecedented phase. It may be noted that while lockdowns have been lifted in most of the geographies, the Covid-19 pandemic is not yet over and hence, the modified ways of working might continue for longer and some element of risk of another wave of infections and/or lockdowns cannot be ruled out completely just yet.

Your management continues to identify and execute programs aimed at improving operational and financial performance. In this context, apart from several shop-floor/business-process level improvement, automation and kaizen initiatives, a business unit level transformation initiative is being undertaken at Uniparts Olsen (UOI). The initiative is aimed at bringing operational and cost efficiencies by consolidating the UOI operations under one roof, revising and improving the shop-floor layout and realigning costs as per evolving business requirements. This program commenced during the reported financial year and is expected to be completed by the middle of following financial year.

Apart from Covid-19 which impacted the timelines of the program, a fire incident at UOI also had some bearing on the timelines. A fire broke-out in the month of October 2019 at UOI and resulting water sprinkler action/fire tender water usage led to varied degree of damages to building, machines and inventory and resulted in temporary disruption of operations. The operations of the impacted section are broadly restored now while certain insurance related matters are under review and discussion.

## 2. DIVIDEND

Your directors have not proposed any dividend for FY 2019-20.

## 3. SUBSIDIARY COMPANIES

As on 31<sup>st</sup> March, 2020, the Company has four direct subsidiaries and one step-down subsidiary, details of which are provided below. No Company has become/ceased to be a subsidiary, joint ventures or associate of the Company during the financial year 2019-20.

### a) Gripwel Fasteners Private Limited ("GFPL")

GFPL was incorporated as Unilink Engineering Private Limited, a private limited company, on January 13, 2005 under the Companies Act, 1956. GFPL is the wholly owned subsidiary of your Company since 21<sup>st</sup> January, 2008. GFPL is engaged in the business of manufacturing, sale and export of 3PL, tractor attachment systems and other agricultural equipment components. GFPL is also engaged in servicing the after-market and OEM customers. GFPL has its manufacturing facility at Noida Special Economic Zone (NSEZ) in Uttar Pradesh, India.

GFPL's net revenue from operations in FY 2019-20 was ₹ 1,474.59 million as against ₹ 1,877.82 million in the previous year. Profit after Tax (PAT) for the year was ₹ 125.43 million as compared to ₹ 160.22 million during the previous year.

GFPL's revenue from operations and PAT constitutes 16.25% and 19.98% respectively of the consolidated revenue from operations and PAT of the Company.

### b) Uniparts Europe B.V. ("UEBV")

UEBV was incorporated on 22<sup>nd</sup> January 2007 under the laws of The Netherlands.

During the financial year 2019-20, UEBV reported a profit of EUR 1,562 as compared to loss of EUR 3,085 during the previous financial year.

UEBV's has negligible contribution in consolidated revenue and PAT of the Company.

### c) Uniparts India GmbH ("UIG")

UIG was incorporated on 18<sup>th</sup> May, 2010 under the laws of Germany. UIG is engaged in the business of warehousing and providing services to its customers located in Europe.

During the financial year 2019-20, UIG reported sales of EUR 10.11 million as compared to EUR 10.54 million during the previous year. Net Profit after Tax for the year was EUR 0.29 million as compared to the profit of EUR 0.30 million during the previous financial year.

UIG's revenue from operations and PAT constitutes 8.77% and 6.50% respectively of the consolidated revenue from operations and PAT of the Company.

### d) Uniparts USA Limited ("UUL")

UUL was incorporated on 27<sup>th</sup> January 2005 under the laws of the State of Delaware, USA. UUL is engaged in the business of warehousing and primarily providing services to its customers located in USA.

During the financial year 2019-20, UUL reported net Revenue of USD 20.18 million as compared to USD 21.68 million during the previous year. Profit after Tax (PAT) for the year was USD 1.54 million as compared to USD 1.34 million during the previous financial year.

UUL's revenue from operations and PAT constitutes 52.40% and 48.32% respectively of the consolidated revenue from operations and PAT of the Company.

UUL's step down subsidiary, UOI's revenue from operations and PAT constitutes 69.91% and 45.48%

respectively of the UUL's revenue from operations and PAT.

During the year, UUL moved its operating activities to a new location. UUL sold its land and building at its earlier operating facility for a net amount of USD 1.75 million.

#### e) Uniparts Olsen Inc. ("UOI")

UOI was acquired by the group through its subsidiary, Uniparts USA Limited, in the year 2005. UOI is engaged in the business of manufacturing, warehousing and sale of precision machined pins, bushings and structural bosses for its customers in the construction, agriculture and forestry industries.

During FY 2019-20, UOI reported net sales of USD 46.89 million as compared to USD 57.71 million during the previous year. Profit after Tax (PAT) for the year was USD 0.68 million as compared to USD 2.09 million during the previous year.

The annual financial statements of the subsidiary companies and the related detailed information shall be made available to the members of the Company seeking such information at any point of time. The annual financial statements of the subsidiary companies shall also be kept open for inspection by any member of the Company at the Registered Office and Corporate Office of the Company on any working day during business hours.

A copy of the Statement containing the salient features of the financial statement of the Company's subsidiaries as required under first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 (as amended from time to time) forms a part of the Consolidated Financial Statements for financial year 2019-20 of the Company.

#### 4. CORPORATE GOVERNANCE

The Company is adopting high standards of excellence in Corporate Governance and believes that good corporate governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the company and help the Company achieve its goal of maximizing value for all its stakeholders. The

Company's board comprises eminent individuals with considerable experience and expertise across a range of disciplines including general management, business strategy, marketing, legal and finance.

#### 5. BOARD OF DIRECTORS AND ITS MEETINGS

The Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of executive, non-executive and independent Directors including one woman Director. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

The Board of Directors of the Company as on 31<sup>st</sup> March 2020 comprised of the following Directors:

Name	Designation
Mr. Gurdeep Soni	Chairman and Managing Director
Mr. Paramjit Singh Soni	Vice Chairman & Director
Mr. Herbert Coenen	Executive Director
Mr. Ashish Kumar Agarwal	Nominee Director
Mr. M.R. Umarji (resigned w.e.f. 11 <sup>th</sup> April 2020)	Non-executive Independent Director
Mr. Sharat Krishan Mathur	Non-executive Independent Director
Ms. Shradha Suri	Non-executive Independent Director
Mr. Alok Nagory	Non-executive Independent Director

Due to the ongoing Covid 19 crisis faced by world as well as India, the Government of India has ordered Lockdown for an initial period of 3 (three) weeks i.e. from 24<sup>th</sup> March, 2020

midnight until 14<sup>th</sup> April, 2020 and it was further extended till 3<sup>rd</sup> May, 2020. Consequently, for the financial year ended 31<sup>st</sup> March, 2020, the Board of Directors have met three times only i.e. on 20<sup>th</sup> May, 2019, 17<sup>th</sup> September, 2019 and 5<sup>th</sup> December, 2019 and the maximum time gap between any two consecutive meetings was not more than 120 days, which in compliance with the provisions of Companies Act, 2013. The details of the Board Meetings and the attendance of Directors are given herein below:-

Name of the Directors	Number of Board Meeting attended during the FY 2019-20	Total Number of Board Meeting conducted during the FY 2019-20
Mr. Gurdeep Soni	3	3
Mr. Paramjit Singh Soni	1	3
Mr. Herbert Coenen	2	3
Mr. Ashish Kumar Agarwal	3	3
Mr. M.R. Umarji (resigned w.e.f. 11 <sup>th</sup> April 2020)	3	3
Mr. Sharat Krishan Mathur	3	3
Ms. Shradha Suri	2	3
Mr. Alok Nagory	1	3

#### 6. APPOINTMENT OR RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

During the year under review, following appointment and resignation took place:

##### **Appointment:**

Mr. Munish Sapra, Group Chief Financial Officer of the company has been appointed as Chief Financial Officer of the Company w.e.f. 28<sup>th</sup> May 2019.

##### **Resignation:**

- i. Mr. Sanjiv Kashyap, Chief Financial Officer of the company have resigned w.e.f. 27<sup>th</sup> May 2019.
- ii. Mr. M.R. Umarji, Independent Director of the Company have resigned w.e.f. 11<sup>th</sup> April 2020.

##### **Reappointment:**

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Paramjit Singh Soni (DIN 00011616), shall retire by rotation as Director at this Annual General Meeting and being eligible, offers himself for reappointment. A brief profile of Mr. Paramjit Singh Soni and other relevant details is contained in the Notice of this Annual General Meeting.

#### 7. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder.

Further to this, the Board confirms that, all the Independent Directors meet the requirements with regard to integrity, expertise and experience (including the proficiency).

During the period under review no Independent Directors have been appointed.

## 8. BOARD COMMITTEES

As on 31<sup>st</sup> March, 2020, the Company has Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, IPO Committee, Internal Complaints Committee and Borrowing Committee. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees. The Company Secretary acts as the secretary of all the Board Committees.

### Audit Committee

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The composition of Committee and terms of reference are in compliance with the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder. All members of the Committee are financially literate and have accounting or related financial management expertise. As on March 31, 2020, the Audit Committee comprised of:

Name of Director	Category	Capacity
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. M.R. Umarji	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

Upon resignation of Mr. M.R. Umarji, Audit Committee was reconstituted, and it currently comprises of the following Directors:

Name of Director	Category	Capacity
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. Alok Nagory	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

During the year ended 31<sup>st</sup> March, 2020, the Audit Committee met three times i.e. on 20<sup>th</sup> May, 2019, 17<sup>th</sup> September, 2019 and 5<sup>th</sup> December 2019. All the Committee Members attended all the Committee Meetings held during the FY 2019-20.

### Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee. The composition of committee and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and the rules made thereunder. The Nomination and Remuneration Policy of the Company contains the guidelines on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178. The NRC Policy of the Company is available on the Company's website, at [www.unipartsgroup.com](http://www.unipartsgroup.com).



As on March 31, 2020, the Nomination and Remuneration Committee comprised of:

Name of Director	Category	Capacity
Mr. M.R. Umarji	Independent Director	Chairman
Mr. Sharat Krishan Mathur	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

Upon resignation of Mr. M.R. Umarji, Nomination and Remuneration Committee was reconstituted and it currently comprises of the following Directors:

Name of Director	Category	Capacity
Mr. Alok Nagory	Independent Director	Chairman
Mr. Sharat Krishan Mathur	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

During the year ended 31<sup>st</sup> March, 2020, the Nomination and Remuneration Committee met two times i.e. on 20<sup>th</sup> May, 2019 and 7<sup>th</sup> August 2019. Except, Mr. Sharat Krishan Mathur, who did not attend the meeting held on 7<sup>th</sup> August 2019, all the other members of Nomination and Remuneration Committee have attended all the meetings held during the FY 2019-20.

#### **Corporate Social Responsibility Committee**

The Company has a duly constituted Corporate Social Responsibility ("CSR") Committee in

accordance with the provisions of Section 135 of the Companies Act, 2013. The roles and responsibilities of CSR Committee includes formulation and recommendation of corporate social responsibility policy to the Board, recommending the amount to be incurred for CSR activities, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company, and monitor the CSR policy from time to time. The CSR Committee comprises of:

Name of Director	Category	Capacity
Mr. Gurdeep Soni	Chairman & Managing Director	Chairman
Mr. Paramjit Singh Soni	Vice Chairman & Director	Member
Mr. Sharat Krishan Mathur	Independent Director	Member

The CSR Policy of the Company wherein the CSR activities that may be undertaken by the Company are mapped with the activities as prescribed in Schedule VII to the Companies Act, 2013 as amended from time to time. The CSR Policy of the Company is available on the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com).

During the year ended 31<sup>st</sup> March 2020, the CSR Committee met two times i.e. on 20<sup>th</sup> May 2019 and 17<sup>th</sup> September 2019. Except for Mr. Paramjit Singh Soni who did not attend the meeting, all the members have attended all the committee meetings held during the FY 2019-20.

The annual report on CSR containing particulars specified in Companies (CSR Policy) Rules, 2014 is attached as **Annexure 1** to this Report.

### Stakeholders Relationship Committee

The Company has a duly constituted Stakeholders Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee shall, inter-alia, specifically look into the redressal of all security holders' and investors' complaints and shall have the powers to seek all information from, and inspect all records of, the Company relating to security holder and investor complaints. The Stakeholders Relationship Committee comprises of:

Name of Director	Category	Capacity
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. Gurdeep Soni	Chairman and Managing Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

No meeting of Stakeholders Relationship Committee was convened during the FY 2019-20.

### Borrowing Committee

The Board of Directors of the Company have also constituted a Borrowing Committee. The Composition of the Committee is as under:

Name of Director	Category	Capacity
Mr. Gurdeep Soni	Chairman &	Chairman

	Managing Director	
Mr. Paramjit Singh Soni	Vice Chairman & Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

During the year ended 31<sup>st</sup> March 2020, the Borrowing Committee met once i.e. on 5<sup>th</sup> December 2019.

### IPO Committee

The Board of Directors of the Company had also constituted an IPO Committee. The Composition of the Committee is as under:

Name of Director	Category	Capacity
Mr. Gurdeep Soni	Chairman & Managing Director	Chairman
Mr. Paramjit Singh Soni	Vice Chairman & Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

No meeting of IPO Committee was convened during the FY 2019-20

## 9. BOARD PERFORMANCE EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for

performance evaluation of the entire Board of the Company, its Committees, Chairman and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committees under the following seven heads - Board Composition, Information to the Board, Board Procedures, Board Accountability, Senior Management, Standards of Conduct and Feedback on the Chairperson of the Board. These heads covers feedback on adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, Chairman and Directors' performance, etc.

Board members had submitted their response on a scale of 5 (Outstanding) - 1 (Needs significant improvement) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met once separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non- Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it is

determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

## **10. REMUNERATION POLICY FOR DIRECTORS & SENIOR MANAGEMENT**

The Nomination & Remuneration Committee of the Company leads the process for Board appointments in accordance with the requirements of Companies Act, 2013 and other applicable rules, regulations or guidelines as amended from time to time. All the Board & Senior Management appointments are based on meritocracy.

The potential candidates for appointment to the Board and Senior Management are inter-alia evaluated on the basis of highest level of personal and professional ethics, standing, integrity, values and character, appreciation of the Company's vision, mission, values, professional skill, knowledge and expertise, financial literacy and such other competencies and skills as may be considered necessary.

The Board of Directors of the Company, considering the recommendation of Nomination and Remuneration Committee, had adopted a Performance Management Policy for Directors, KMPs and other employees. The policy represents the overarching approach of the Company to the remuneration of Director, KMPs and other employees. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high-performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay.

## **11. INITIAL PUBLIC OFFERING (IPO)**

The Company upon filing of Draft Red-Herring Prospectus ("DRHP") with Securities and Exchange Board of India ("SEBI") on 5th December 2018, which had received an

observation letter on 1<sup>st</sup> February 2019 and it was expired on 1<sup>st</sup> February 2020.

## **12. CODE OF CONDUCT**

The Company has adopted the Code of Conduct for Directors and Senior Management Personnel which also include Code for Independent Directors as per Schedule IV of the Companies Act, 2013. The Code of Conduct is available on the website of the Company i.e. [www.unipartsgroup.com](http://www.unipartsgroup.com).

The purpose of the Code of Conduct is to enhance further an ethical and transparent process in managing the affairs of the Company and to deter wrong doing. In terms of Code of Conduct, Directors and Senior Management must act within the authority conferred upon them and in the best interests of the Company and its shareholders.

The Members of the Board and Senior Management Personnel have affirmed the compliance with the Code of Conduct during the year ended 31<sup>st</sup> March 2020.

## **13. EMPLOYEES STOCK OPTION SCHEME**

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employee Stock Option Plan 2007 (“ESOP 2007”) of the Company.

Your Board of Directors recommends certain modification in the ESOP 2007 which are detailed in the Notice for the 26<sup>th</sup> Annual General Meeting of the Company.

Details of options granted by the Company under ESOP 2007 are provided in **Annexure 2** to this Report.

## **14. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

Particulars of loans, guarantees and investments by the Company covered under the provisions of Section 186 of the Companies Act, 2013 are

provided in the standalone financial statement (Please refer to Note 4 and 10 to the standalone financial statement for the financial year 2019-20).

## **15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Pursuant to Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, the Company can enter into certain related parties transactions, which are not in the ordinary course of business and / or are not arm’s length basis, only with prior approval of the Shareholders. All related party transactions that were entered into by the Company, during the financial year 2019-20, were on an arm’s length basis and were in the ordinary course of business.

All related party transactions were approved by the Audit Committee and a statement giving details of all related party transactions was also placed before the Board of Directors for their records or approval.

All the related party transactions entered by the Company are necessary for the carrying out the operation of the Company.

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed format AOC-2 is appended as **Annexure 3** to this Board’s report.

## **16. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year 2019-20 till the date of this report.

## **17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required in terms of Section 134(3)(m) of the Companies Act, 2013 and Companies (Accounts) Rules, 2014, as amended from time to time, is annexed as **Annexure 4** to this Report.

## 18. INTERNAL FINANCIAL CONTROLS

The Company continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business.

These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

All key legal and statutory filings are monitored on a monthly basis for all locations in India. Delay or deviation, if any, is seriously taken by the management and corrective actions are taken immediately. Financial policies, standards and delegations of authority have been disseminated to senior management to cascade within their departments. Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities.

The Company's Audit Committee also interacts with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. This Committee mainly deals with accounting matters, financial reporting and internal controls.

## 19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company believes in the conduct of affairs of its constituents in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity and ethical behavior and has put in a system where, it is safe for all Directors and employees to raise genuine concerns or grievances about suspected wrongful conducts or unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy of the Company.

The Company has a Vigil Mechanism/ Whistle Blower Policy which provides for a mechanism to all Directors and employees of the Company to come out with their genuine concerns or grievances on suspected wrongful conducts or unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy through written communication with relevant information, without fear of retaliation of any kind.

The Vigil Mechanism/ Whistle Blower Policy is available at the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com)

## 20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and

- of the profit and loss of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - iv) the Directors had prepared the annual accounts on a going concern basis; and
  - v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 21. AUDITORS

### Statutory Auditors

M/s Rakesh Banwari and Co., Chartered Accountants (Firm Registration No. 009732N), were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to financial statements referred to in the Auditors' Report are self-explanatory.

Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

### Secretarial Auditors

M/s Sanjay Grover and Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company to carry out secretarial audit of the Company in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit

Report for the financial year 31<sup>st</sup> March 2020 is annexed herewith as **Annexure 5** to this Report. There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2019-20 which call for any explanation from the Board of Directors.

### Cost Auditors

M/s. Vijender Sharma & Co., Cost Accountants, was appointed as the Cost Auditor for the financial year 2019-20 to conduct the audit of the cost records of the Company.

The Board of Directors of your Company have re-appointed M/s. Vijender Sharma & Co., Cost Accountants, as the Cost Auditor of the Company for the financial year 2020-21 on the recommendations made by the Audit Committee. The particulars of the Cost Auditors are: -

Name:	M/s. Vijender Sharma & Co.
Address:	3rd Floor, 11 Hargovind Enclave, Vikas Marg, Delhi - 110092
E-mail:	vijender.sharma@vsa.net.in

The Board of Directors of the Company have approved the remuneration of ₹ 4,00,000 (Rupees Four Lacs Only) plus applicable tax and reimbursement of out of pocket expenses, if any, to be paid to the Cost Auditors, subject to the ratification by the members at this Annual General Meeting.

## 22. COST RECORDS/COST AUDIT

The Company has maintained cost records for the financial year 2019-20 as required under Section 148(1) of the Companies Act, 2013 and the rules made thereunder, for the prescribed business activities carried out by the Company. The Cost Audit Report for the financial year 2019-20 in respect of the products prescribed under relevant Cost Audit Rules, shall be filed as per the requirements of applicable laws.

### **23. EXTRACT OF ANNUAL RETURN**

Relevant extract of annual return for the financial year 2019-20 under the Companies Act, 2013 is given in **Annexure 6** to this Report.

The Annual Return of the Company under section 92(3) of the Companies Act 2013 will be placed on the website of the Company i.e. [www.unipartsgroup.com](http://www.unipartsgroup.com)

### **24. PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is annexed herewith as **Annexure 7** to this Report.

### **25. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to provide a protective environment at workplace for all its women employees. The Company has in place a 'Discrimination Free Workplace and Sexual Harassment Policy' in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. All employees (permanent, temporary contractual, casual trainees/apprentices) are covered under the extant policy.

During the year ended 31<sup>st</sup> March 2020, the Company did not receive any complaint related to sexual harassment.

### **26. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year 2019-20 in terms of Chapter V of the Companies Act, 2013.

### **27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

The Company has not received any significant and material orders passed by any Regulators or Court or Tribunal which shall impact the going concern status and the Company's operations in future.

### **28. SECRETARIAL STANDARDS**

During the year under review (i.e. 2019-20), the Company has complied with the applicable provisions of the Secretarial Standards issued by Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### **29. ACKNOWLEDGEMENTS**

Your Directors take this opportunity to place on record their gratitude towards all its customers. Your Directors further express their appreciation for the total commitment, dedication and hard work put in by every employee of the Company. Your Directors would also like to thank all its Suppliers and Business Associates for their guidance and support as well as the Bankers, Central and State Govt. Departments.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

**For and on behalf of the Board of Directors**

Sd/-  
**(Gurdeep Soni)**  
**Chairman and Managing Director**  
**DIN: 00011478**

**Place: New Delhi**  
**Date: 29<sup>th</sup> August 2020**



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

1. A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company aims to ensure the implementation of CSR initiatives by identifying & helping under-developed areas with special emphasis on areas in and around factories/ units of the Company. The Company gives preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.

The CSR projects or programs or activities that benefit only the employees of the Company and their families, and contribution of any amount (directly or indirectly) to any political party, are not considered as CSR activities under the CSR Policy of the Company. The CSR activities are mapped with the activities as prescribed in Schedule VII to the Companies Act, 2013 as amended from time to time.

In this regard, the Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the website of the Company at the following Weblink:

2. The Composition of the CSR Committee.

1. Mr. Gurdeep Soni – Chairman of the Committee
2. Mr. Paramjit Singh Soni- Member of the Committee
3. Mr. Sharat Krishan Mathur- Member of the Committee

3. Average net profit of the Company for last three financial years: Rs. 232,372,964/-

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : Rs.4,647,459/-

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: Rs. 4,800,000/-

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which project or activity is covered	Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the project or program. Sub heads: (1) Direct Expenditure on projects or program (2) Overheads	Cumulative Expenditure up to date of reporting period	Amount Spent: Direct or through implementing agency*
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1	Health Facilities, Medical Aid to poor, needy and economically weaker section	Health Facilities, Medical Aid	Lakhimpur Khiri (UP)	Rs. 48,00,000	Rs. 48,00,000	Rs. 48,00,000	Rs. 48,00,000 - Through Implementing Agency*
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\*Details of implementing agency- Dashmesh Charitable Hospital Society, Lakimpur Kheri, U.P

6. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For Uniparts India Limited**

Sd/-

**(Gurdeep Soni)**

**DIN: 00011478**

**Chairman-CSR Committee**

**Place: New Delhi**

**Date: 29<sup>th</sup> August 2020**

## ANNEXURE 2

**INFORMATION REGARDING THE EMPLOYEE STOCK OPTION PLAN 2007  
AS AT 31<sup>ST</sup> MARCH 2020**

Particulars	Details
Options Granted - In aggregate - During the FY 2019-20	11,21,042 (Detail given as per Note-1) 25,000
The Pricing Formula	Black Scholes Option Valuation Model has been used for determining the fair value of an option granted under ESOP Scheme.
Exercise price of options (as adjusted on allocation of employee bonus units)	Details provided in Note-1 of this Annexure
Total options vested	6,43,988
Options Exercised	12,000
Total number of Equity Shares arising as a result of exercise of options	12,000
Options forfeited / lapsed / cancelled/surrendered	1,47,554 (Refer Note 2 of this Annexure)
Variations in term of options	Nil
Total No. of options in force	9,61,488
Money raised by exercise of options	Rs. 12,60,000/-
Employee wise details of options granted to	
i. Directors, Key Managerial Personnel and other management personnel	Details provided in Note 2 of this Annexure
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Details provided in Note 3 of this Annexure
iii. Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL
Fully Diluted Earnings Per Share pursuant to issue of equity shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 102 'Earnings Per Share'.	Rs. 13.91 per share (as per Consolidated financial Statements for the year ended 31 <sup>st</sup> March, 2020)
Difference between employee compensation cost using intrinsic value method and the employee compensation cost that shall have been recognized if our Company had	Not Applicable since the Company has used fair value of options for the purpose of recognizing the employee compensation cost.

issued fair value of options and impact of this difference on profit and EPS of our Company.	
Impact of the above on the profits and EPS of the Company with reference to Standalone/Consolidated financials	Not Applicable
Weighted average exercise price and weighted average fair value of options shall be disclosed separately for options whose exercise price either equal or exceeds or is less than the market price of the stock.	Not Applicable since Market Price is not available being an unlisted company.
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted average information namely, risk free interest rate, expected life, expected volatility, expected dividends and the price of underlying share in market at the time of grant of options.	Details provided in Note 4 of this Annexure.
Impact on the profits and on the Earnings Per Share of the last three years in respect of options granted in the last three years if our Company had followed the accounting policies in respect of options granted in last three years.	<p>Impact on profit for last three years:</p> <ul style="list-style-type: none"> <li>• Fiscal 2020: Rs.58,53,233/-</li> <li>• Fiscal 2019: Rs. 19,89,225/-</li> <li>• Fiscal 2018: Rs.2,89,318/-</li> </ul> <p>Impact on EPS for last three years:</p> <ul style="list-style-type: none"> <li>• Fiscal 2020: Rs.0.13 per share</li> <li>• Fiscal 2019: Rs.0.04 per share</li> <li>• Fiscal 2018: Rs.0.01 per share</li> </ul>

**Note 1: Exercise price of options (as on the date of grant of option)**

Grant	F.Y. of Grant	Date of Grant	No. of Grants	Cumulative	Exercise Price
Grant - 1	2006-07	08.02.2007	1,14,833	1,14,833	Rs. 135.00
Grant - 2	2007-08	27.03.2008	42,764	1,57,597	Rs. 135.00
Grant - 3	2008-09	27.03.2009	25,000	1,82,597	Rs. 135.00
Right Issue	2009-10	Right Issue	86,592	2,69,189	Rs. 45.00
Grant - 4	2010-11	25.03.2011	28,912	2,98,101	Rs. 105.00
Grant - 5	2011-12	03.03.2012	26,209	324,310	Rs. 105.00
Grant - 6	2012-13	12.01.2013	28,825	353,135	Rs. 105.00
Grant - 7	2013-14	25.09.2013	11,255	364,390	Rs. 105.00
Grant - 8	2013-14	23.12.2013	5,000	369,390	Rs. 105.00
Grant - 9	2013-14	15.03.2014	21,465	390,855	Rs. 105.00
Bonus Issue	2014-15	Bonus Issue	3,24,637	7,15,492	Rs. 0.00
Grant - 10	2014-15	23.08.2014	35,102	7,50,594	Rs. 52.50
Grant- 11	2015-16	30.06.2015	52,948	8,03,542	Rs. 52.50
Grant- 12	2018-19	23.11.2018	2,92,500	10,96,042	Rs. 52.50
Grant-13	2019-20	07.08.2019	25000	11,21,042	Rs. 52.50

**Note 2: Details regarding options granted to our Directors and key managerial personnel and other management personnel are set forth below under Uniparts Employees Stock Option Plan, 2007:**

Name of Director / key managerial personnel / other managerial personnel	Total no. of Options Granted (including right issue and bonus issue)	Options Forfeited / Lapsed / Surrendered	No. of Options Exercised	Total no. of Options outstanding
Mr. Herbert Coenen	4,51,336	NIL	NIL	4,51,336
Mr. Lester Lawrence	21,826	NIL	NIL	21,826
Mr. Rajiv Puri	40,388	40,388	NIL	NIL
Mr. Jaswinder Bhogal	52,948	52,948	NIL	NIL
Ms. Rini Kalra	2,70,826	NIL	NIL	2,70,826
Mr. Harpreet Singh Khurana	28,024	16,024	12,000	NIL
Mr. Swaraj Singh Bhullar	5,991	5,991	NIL	NIL
Mr. Ajay Dhir	3,430	3,430	NIL	NIL
Mr. Sanjeev Bhat	10,984	10,984	NIL	NIL
Mr. Arun Shukla	8,533	8,533	NIL	NIL
Mr. Arun Choughle	9,256	9,256	NIL	NIL
Mr. Sudhakar Kolli	1,00,000	NIL	NIL	1,00,000
Mr. Jyotbir Singh Sethi	35,000	NIL	NIL	35,000
Mr. Biru Gupta	20,000	NIL	NIL	20,000
Mr. Sameer Malhotra	15,000	NIL	NIL	15,000
Mr. K. Velu	7,500	NIL	NIL	7,500
Mr. Mukesh Kumar	5,000	NIL	NIL	5,000
Mr. Amit Atri	5,000	NIL	NIL	5,000
Mr. Suvesh Kumar	5,000	NIL	NIL	5,000
Mr. Ayushman Kachru	7,500	NIL	NIL	7,500
Mr. Satya Narayan	17,500	NIL	NIL	17,500
<b>Total</b>	<b>11,21,042</b>	<b>1,47,554</b>	<b>12,000</b>	<b>961,488</b>

**Note 3: Details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under ESOP 2007:**

Year of grant	Name of the Employee	No. of options granted	No. of options exercised	No. of Equity Shares held
2006 – 2007	Mr. Herbert Coenen	84,580	Nil	Nil
	Mr. Harpreet Singh Khurana	6,051	Nil	Nil

Year of grant	Name of the Employee	No. of options granted	No. of options exercised	No. of Equity Shares held
	Mr. Swaraj Singh Bhullar	5,991	Nil	Nil
2007 - 2008	Mr. Herbert Coenen	18,256	Nil	Nil
	Mr. Rajiv Puri	4,334	Nil	Nil
	Mr. Harpreet Singh Khurana	8,500	Nil	Nil
	Mr. Sanjeev Bhat	3,237	Nil	Nil
	Mr. Arun Shukla	2,965	Nil	Nil
	Mr. Arun Kumar Choughule	3,371	Nil	Nil
2008 - 2009	Mr. Herbert Coenen	25,000	Nil	Nil
2009 - 2010 (Pursuant to rights issue)	Mr. Herbert Coenen	63,918	Nil	Nil
	Mr. Harpreet Singh Khurana	7,276	Nil	Nil
2010 - 2011	Mr. Herbert Coenen	12,449	Nil	Nil
	Mr. Rajiv Puri	3,760	Nil	Nil
	Mr. Jaswinder Singh Bhogal	2,367	Nil	Nil
	Ms. Rini Kalra	10,336	Nil	Nil
2011 - 2012	Mr. Rajiv Puri	3,643	Nil	Nil
	Mr. Jaswinder Singh Bhogal	5,101	Nil	Nil
	Ms. Rini Kalra	11,268	Nil	Nil
	Mr. Harpreet Singh Khurana	6,197	Nil	Nil
2012 - 2013	Mr. Rajiv Puri	6,290	Nil	Nil
	Ms. Rini Kalra	22,535	Nil	Nil
	Mr. Harpreet Singh Khurana	Nil	12,000	12,000
2013 - 2014	Mr. Jaswinder Singh Bhogal	11,255	Nil	Nil
	Ms. Rini Kalra	5,000	Nil	Nil
	Mr. Herbert Coenen	21,465	Nil	Nil
2014 - 2015	Mr. Jaswinder Singh Bhogal	15,502	Nil	Nil
	Ms. Rini Kalra	19,600	Nil	Nil
2014 - 2015 (Pursuant to Bonus Issue)	Mr. Herbert Coenen	225,668	Nil	Nil
	Mr. Rajiv Puri	20,194	Nil	Nil
	Mr. Jaswinder Singh Bhogal	18,723	Nil	Nil
	Ms. Rini Kalra	49,139	Nil	Nil
2015-16	Ms. Rini Kalra	52,948	Nil	Nil
2018 - 2019	Mr. Sudhakar Kolli	1,00,000	Nil	Nil

Year of grant	Name of the Employee	No. of options granted	No. of options exercised	No. of Equity Shares held
	Ms. Rini Kalra	1,00,000	Nil	Nil
	Mr. Jyotbir Singh Sethi	35,000	Nil	Nil
	Mr. Biru Gupta	20,000	Nil	Nil
	Mr. Sameer Malhotra	15,000	Nil	Nil
2019-20	Mr. Ayushman Kachru	7,500	Nil	Nil
	Mr. Satya Narayan	17,500	Nil	Nil

**Note 4: Description of the method and significant assumptions used during the year to estimate the fair values of options including weighted average information namely, Risk free Interest Rate, Expected life, Expected volatility, Expected dividends and Price of underlying share in market at the time of grant of options.**

Our Company has adopted the Black-Scholes method to estimate the fair value of option with the following assumption.

Grant Date	Expected volatility	Expected Risk Free Return	Expected Life	Expected Dividend
Grant - 1	48.61%	Note 4A	7 Years	NIL
Grant - 2	54.38%		7 Years	NIL
Grant - 3	59.67%		7 Years	NIL
Grant - 4	37.92%		7 Years	NIL
Grant - 5	35.32%		7 Years	NIL
Grant - 6	31.57%		7 Years	NIL
Grant - 7	34.11%		7 Years	5%
Grant - 8	38.13%		7 Years	5%
Grant - 9	39.92%		7 Years	5%
Grant - 10	44.25%		7 Years	5%
Grant - 11	14.90%		7 Years	5.83%
Grant - 12	14.83%		8 Years	5.83%
Grant - 13	14.74%			8.5 Years

Note: Price of underlying share in market at the time of grant of options is not applicable being an unlisted company.

**Note 4A: Expected Risk Free Return**

Vesting Percentage	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10	Grant 11	Grant 12	Grant 13
33%	7.91%	7.82%	7.32%	7.95%	8.13%	7.94%	9.01%	9.01%	9.05%	8.63%	-	7.92%	6.73%

33%	7.95%	7.90 %	7.46 %	7.99%	8.24%	7.96 %	9.09%	9.06 %	9.09%	8.64 %	-	7.91 %	6.73 %
34%	7.97%	7.98 %	7.59 %	8.03%	8.33%	7.97 %	9.15%	9.10 %	9.12%	8.66 %	-	7.90 %	6.73 %
100%	-	-	-	-	-	-	-	-	-	-	8.12%	-	-

**For and on behalf of the Board of Directors**

Sd/-

**(Gurdeep Soni)**

**Chairman and Managing Director**

**DIN: 00011478**



## 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

### 1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and 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	Justification for entering into such contract or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

### 2. Details of material contracts or arrangement or transactions at arm's length basis\*

Sl.No	Name(s) of the related party and 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
1.	Name of the Related Parties a. Gripwel Fasteners Private Limited b. Uniparts USA Limited c. Uniparts Olsen Inc. d. Uniparts Europe B.V. e. Uniparts India GmbH	Sale, purchase, and/or supply of the goods, services, samples and/or tools	Ongoing basis effective from 1st April 2014 unless terminated earlier by either party by serving three months' prior written notice to the other party	1. The standard price list and terms for the sale, purchase, and/or supply of the Goods shall form part of the Agreement and this standard price list will be reviewed by the parties twice in a year, unless otherwise agreed in writing between the parties. 2. The actual purchase and supply of Goods under this Contract shall be carried out on the basis of written purchase order(s) separately issued from time to time by the buyer to the seller. 3. The Contract shall be governed by the Indian Laws with the Courts of Delhi having exclusive jurisdiction. Any dispute, controversy or claim which may arise out of or in connection with the Contract and any order or the execution, breach, termination or invalidity thereof, shall be settled by Indian Arbitration and Conciliation Act, 1996.	10 <sup>th</sup> July, 2014

	Relationship: Wholly owned subsidiaries of the Company			<p>4. Aggregate value of the annual transaction with each subsidiary shall not exceed Rs. 250 crores.</p> <p>For further details, please refer to the Notice of the extraordinary general meeting held on 4<sup>th</sup> August 2014</p> <p>Transaction Value:</p> <p>For details on the related party transactions executed during the FY 2019-20, please refer to the note no. 38 to the standalone financial statement of the Company for the financial year 2019-20.</p>	

\* For the purpose of this Annexure, Material Contracts or Arrangement or Transactions with related parties means transactions, contracts or arrangements exceeding the threshold limits as specified in Rule 15(3) of the Companies (Meetings of Board & its Powers) Rules, 2014. For details on related party transactions entered during the FY 2019-20, please refer to the note no. 38 to the standalone financial statement.

**For and on behalf of the Board of Directors**

Sd/-  
**(Gurdeep Soni)**  
**Chairman and Managing Director**  
**DIN: 00011478**

## 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 the Companies (Accounts) Rules, 2015)

### (A) CONSERVATION OF ENERGY-

#### (i) Steps taken for Conservation of Energy:

The Company encourages energy conservation at all its manufacturing units and several measures have been taken continually towards conservation of energy. All the manufacturing units of the Company remains ISO 14001 :2015 compliant and some more initiatives were taken by the company during the year 2019-20, which are as follows:

1. CFL/ MV Lamps and Tube Lights have been replaced with LED lights at our manufacturing locations to reduce CO2 emission.
2. We have installed assembly line from ground floor to mezzanine in one of the unit, which has resulted in reduction of usage of lifts, leading to saving in energy consumption.
3. Introduction of sensor-based streetlights which turns off in case of adequate lighting helping to maintain lower energy consumption.
4. Discontinuation of Preheating Process for Powder coating booth to reduce the Propane consumption.
5. Replaced the usage of Compressed Air with Air blower at various places in our manufacturing locations.
6. Various actions taken to ensure higher power factor to reduce wastage of energy.
7. Thyristor Power Controllers have been installed on Tempering Furnaces to save energy.
8. Proportional integral derivative (PID) Controllers have been installed on Cooling Towers to save energy.
9. Human Movement sensors installed in Washrooms to reduce energy wastage.
10. Timers have been installed for AC'S & Lightings in order to ensure control on energy consumption.
11. Variable frequency drive (VFD) have been installed on Hydraulic presses and also on-air compressors & heavy motors.
12. Motor rating have been reduced with Hydraulic power pack system to save energy.
13. Servo drive have been installed on drill machines.
14. Timers have been installed on conventional machines to stop cycle when it is idle to save energy.
15. Hydraulic & coolant pump have been upgraded with energy efficient motors.
16. Opted for Zero Liquid discharge process through forced evaporation system and is already implemented at our Vizag Unit. ETP & RO Processing processes have been installed in our Noida unit for treatment of water. This has resulted in improved environment & better hygienic condition contributing to the greener world.
17. The idea of energy reduction remained continual at our factories throughout the year. one of the measures undertaken was maintaining equal load distribution on every phase and for that layout study was carried out for optimum utilization of electricity and conservation of energy. We also ensured, Regular cleaning of PVC Sheets in order to increase usage of Natural lights which has resulted in reduction of power usage for lighting.
18. Regular-trainings and awareness programs have been conducted in all our units on conservation of power, fuel and water.
19. Regular maintenance activities and control measures were ensured throughout the year with stringent view towards consumption of Energy.

#### (ii) Steps taken by the Company for utilizing alternate sources of energy:

1. Installed Government Authorized water pipeline to minimize the usage of Ground water and also worked on reducing RO plant running time from 24 hours to 10 hours, which has resulted in saving of more energy by us.
2. Reuse of effluent water through Zero Liquid Discharge system.
3. HSD Diesel oil replaced with Pyrolysis Oil in Heat Treatment & Press Section for hot work to minimize the energy conservation due to diesel usage.

4. Opted for Sun Light as source of light in our workshops which has inevitably helped in saving lighting and energy emission.

(iii) **Capital investment on energy conservation equipment:** The Company has invested an amount of INR 35.5 lakhs approx. on energy consumption equipments and measures implementation, spread across all its manufacturing units.

**(B) TECHNOLOGY ABSORPTION**

- I. **Efforts made towards technology absorption:** The Company endeavors to improve manufacturing process and technology used by it. The learnings of this continuous development process are then integrated into regular production process. Further, energy recovery mechanisms are being utilized to recover waste energy for useful purposes.
- II. **Benefits derived like product improvement, cost reduction, product development or import substitution:** The measures and the initiatives taken by the Company have resulted in cost reduction, energy conservation, quality improvement and Environment protection.
- III. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**
- (a) Details of technology imported: Nil
  - (b) Year of import: NA
  - (c) Whether the technology been fully absorbed: NA
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof ; and
  - (e) the expenditure incurred on Research and Development: Nil

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows:

Particulars	(Amount in Rs.)
Foreign Exchange Earnings	4,59,20,74,442
Foreign Exchange Outgo:	
(a) CIF Value of Imports	58,24,66,000
(b) Others	1,24,05,602
Remittance in Foreign Currency on account of Dividend	8,96,530

**For and on behalf of the Board of Directors**

Sd/-  
**(Gurdeep Soni)**  
Chairman and Managing Director  
DIN: 00011478

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Uniparts India Limited**  
(CIN: U74899DL1994PLC061753)  
Gripwel House, Block-5, C6 7,  
Vasant Kunj, New-Delhi- 110070

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Uniparts India Limited** (hereinafter called the Company), which is an unlisted company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**We report that-**

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We 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. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- g) The auditor adhered to best professional standards and practices as could be possible while carrying out audit during the lock-down conditions due to Covid-19. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid lock-down conditions.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 ("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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:

- (iii) 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;

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India, with which the Company has generally complied with.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

- (iv) The Company is a manufacturer and supplier of engineering systems, solutions, assemblies, including 3-point linkage systems and precision machined parts, primarily to off-highway vehicles in agriculture and construction, forestry and mining sectors and its manufacturing facilities/plants are located at Noida (Uttar Pradesh) and Visakhapatnam (Andhra Pradesh) and two units at Ludhiana (Punjab). As informed and confirmed by the management, there is no sector specific law applicable on the Company.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the Board of Directors that took place during the period under review.

Adequate notices were given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance of the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No.: P2001DE052900

**Sd/-**  
**Priyanka**  
Partner

M No. A41459  
C P No.: 16187

UDIN: A041459B000631334

August 29, 2020  
New Delhi

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2020

(Pursuant to Section 92(3) of the Companies Act 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS	
i) CIN	U74899DL1994PLC061753
ii) Registration Date	26 <sup>th</sup> September, 1994
iii) Name of the Company	Uniparts India Limited
iv) Category / Sub-Category of the Company	Category: Public Company limited by Shares Sub-Category: Indian Non-Government Company
v) Address of the Registered office and contact details	Gripwel House, Block 5, Sector C 6 & 7, Vasant Kunj, New Delhi-110 070 Tel: +91 11 2613 7979 Fax: + 91 11 2613 3195 Email: <a href="mailto:compliance.officer@unipartsgroup.com">compliance.officer@unipartsgroup.com</a>
vi) Whether listed company Yes / No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai 400 078 Maharashtra, India Tel : +91 22 2596 7878 Fax : +91 22 2596 0329

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service*	% to total turnover of the Company
1	Linkage parts and components for off-highway vehicles	Division 28- Manufacture of machinery and equipment n.e.c.	98.66

\* As per NIC 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Gripwel Fasteners Private Limited Gripwel House, Block 5, Sector C 6 & 7, Vasant Kunj, New Delhi - 110 070	U29214DL2005PTC132107	Subsidiary	100	2 (87)
2.	Uniparts USA Limited 1901, Willian Few Parkway, Horizon North Industrial Park, Grovetown, GA 30813, USA	N.A.	Subsidiary	100	2 (87)
3.	Uniparts Europe B.V. Luna Arena, Herikerbergweg 238, 1101 CM, Amsterdam Zuidoost, The Netherlands.	N.A.	Subsidiary	100	2 (87)
4.	Uniparts India GmbH	N.A.	Subsidiary	100	2 (87)

	Reutherstrasse, 3, D - 53773, Hennef, Germany				
5.	Uniparts Olsen Inc. 1100 East LeClaire Road, Elridge, IA 52748	N.A.	Step down subsidiary	100	2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoter*</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1,69,95,090	0	1,69,95,090	37.65	1,69,95,090	0	1,69,95,090	37.65	0.00
b) Central Government	0	0	0	0	0	0	0	0	0.00
c) State Government	0	0	0	0	0	0	0	0	0.00
d) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
e) Banks/FI	0	0	0	0	0	0	0	0	0.00
f) Any other	0	0	0	0	0	0	0	0	0.00
<b>Sub-Total (A) (1)</b>	<b>1,69,95,090</b>	<b>0</b>	<b>1,69,95,090</b>	<b>37.65</b>	<b>1,69,95,090</b>	<b>0</b>	<b>1,69,95,090</b>	<b>37.65</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	37,00,000	0	37,00,000	8.20	37,00,000	0	37,00,000	8.20	0.00
b) Other-Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
d) Banks/FI	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0
e(i) Trust	1,32,95,090		1,32,95,090	29.46	1,32,95,090	0	1,32,95,090	29.46	0.00
<b>Sub-Total (A) (2)</b>	<b>1,69,95,090</b>	<b>0</b>	<b>1,69,95,090</b>	<b>37.65</b>	<b>1,69,95,090</b>	<b>0</b>	<b>1,69,95,090</b>	<b>37.65</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A)= (A) (1)+(A) (2)</b>	<b>3,39,90,180</b>	<b>0</b>	<b>3,39,90,180</b>	<b>75.31</b>	<b>3,39,90,180</b>	<b>0</b>	<b>3,39,90,180</b>	<b>75.31</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									



a) Mutual Fund	0	0	0	0	0	0	0	0	0.00
b) Banks/FI	0	0	0	0	0	0	0	0	0.00
c) Central Government	0	0	0	0	0	0	0	0	0.00
d) State Government	0	0	0	0	0	0	0	0	0.00
e) Venture Capitals Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	93,34,834	0	93,34,834	20.68	93,34,834	0	93,34,834	20.68	0.00
i) Other (specify)	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (B) (1)</b>	93,34,834	0	93,34,834	20.68	93,34,834	0	93,34,834	20.68	0.00
<b>2. Non Institutions</b>									
a) Bodies Corporate									
i) Indian	0	0	0	0	0	0	0	0	0.00
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	21,886		21,886	0.05	21,886		21,886	0.05	0.00
ii) Individual shareholders holding nominal share capital in excess Rs. 1 Lakh	7,59,658		7,59,658	1.68	7,59,658		7,59,658	1.68	0.00
c) Other (specify)									



				No. of shares	% of total shares	No. of shares	
1	At the beginning of the year	1/4/2019		3,39,90,180	75.31%	3,39,90,180	75.31%
2	Changes during the year		No change				
3	At the end of the year	31/03/2020		3,39,90,180	75.31%	3,39,90,180	75.31%

\*\* Shareholding details of Promoters include the shareholding of promoters group.

<b>iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Promoters group and Holders of GDRs and ADRs):</b>					
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>At the beginning of the year</b>				
(i)	Ashoka Investment Holdings Limited	71,80,642	15.91	71,80,642	15.91
(ii)	Ambadevi Mauritius Holding Limited	21,54,192	4.77	21,54,192	4.77
(iii)	Uniparts ESOP Trust	10,27,200	2.28	10,27,200	2.28
(iv)	Andrew Warren Code	1,77,378	0.39	1,77,378	0.39
(v)	James Norman Hallene	1,77,378	0.39	1,77,378	0.39
(vi)	Kevin John Code	1,77,378	0.39	1,77,378	0.39
(vii)	Dennis Francis DeDecker	57,420	0.13	57,420	0.13
(viii)	Melvin Keith Gibbs	41,730	0.09	41,730	0.09
(ix)	Walter James Gruber	24,706	0.05	24,706	0.05
(x)	Harpreet Singh Khurana	24,000	0.05	24,000	0.05
(xi)	Wendy Reichard Hammen	21,556	0.05	21,556	0.05
<b>2.</b>	<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>				
(i)	Ashoka Investment Holdings Limited	Nil	Nil	Nil	Nil
(ii)	Ambadevi Mauritius Holding Limited	Nil	Nil	Nil	Nil
(iii)	Uniparts ESOP Trust	Nil	Nil	Nil	Nil
(iv)	Andrew Warren Code	Nil	Nil	Nil	Nil
(v)	James Norman Hallene	Nil	Nil	Nil	Nil

(vi)	Kevin John Code	Nil	Nil	Nil	Nil
(vii)	Dennis Francis DeDecker	Nil	Nil	Nil	Nil
(viii)	Melvin Keith Gibbs	Nil	Nil	Nil	Nil
(ix)	Walter James Gruber	Nil	Nil	Nil	Nil
(x)	Harpreet Singh Khurana	Nil	Nil	Nil	Nil
(xi)	Wendy Reichard Hammen	Nil	Nil	Nil	Nil
<b>3.</b>	<b>At the end of the year (or on the date of separation, if separated during the year)</b>				
(i)	Ashoka Investment Holdings Limited	71,80,642	15.91	71,80,642	15.91
(ii)	Ambadevi Mauritius Holding Limited	21,54,192	4.77	21,54,192	4.77
(iii)	Uniparts ESOP Trust	10,27,200	2.28	10,27,200	2.28
(iv)	Andrew Warren Code	1,77,378	0.39	1,77,378	0.39
(v)	James Norman Hallene	1,77,378	0.39	1,77,378	0.39
(vi)	Kevin John Code	1,77,378	0.39	1,77,378	0.39
(vii)	Dennis Francis DeDecker	57,420	0.13	57,420	0.13
(viii)	Melvin Keith Gibbs	41,730	0.09	41,730	0.09
(ix)	Walter James Gruber	24,706	0.05	24,706	0.05
(x)	Harpreet Singh Khurana	24,000	0.05	24,000	0.05
(xi)	Wendy Reichard Hammen	21,556	0.05	21,556	0.05
<i>iv) Shareholding of Directors and Key Managerial Personnel:</i>					
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative changes Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>At the beginning of the year</b>				
(i)	Mr. Gurdeep Soni, Chairman and Managing Director	1,49,55,570	33.14	Nil	Nil
(ii)	Mr. Paramjit Singh Soni, Vice Chairman and Director	10,00,000	2.22	Nil	Nil

(iii)	Mr. Alok Nagory, Independent Director	Nil	Nil	Nil	Nil
(iv)	Mr. Ashish Kumar Agarwal, Nominee Director	Nil	Nil	Nil	Nil
(v)	Mr. Herbert Coenen, Director	Nil	Nil	Nil	Nil
(vi)	Mr. M R Umarji, Independent Director <i>(resigned w.e.f. 11<sup>th</sup> April, 2020)</i>	Nil	Nil	Nil	Nil
(vii)	Mr. Sharat Krishan Mathur, Independent Director	Nil	Nil	Nil	Nil
(viii)	Ms. Shradha Suri, Independent Director	Nil	Nil	Nil	Nil
(ix)	Mr. Sudhakar Kolli	Nil	Nil	Nil	Nil
(x)	Mr. Munish Sapra, Chief Financial Officer	Nil	Nil	Nil	Nil
(xi)	Mr. Mukesh Kumar, Company Secretary	Nil	Nil	Nil	Nil
<b>2.</b>	<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>				
(i)	Mr. Gurdeep Soni, Chairman and Managing Director	Nil	Nil	Nil	Nil
(ii)	Mr. Paramjit Singh Soni, Vice Chairman and Director	Nil	Nil	Nil	Nil
(iii)	Mr. Alok Nagory, Independent Director	Nil	Nil	Nil	Nil
(iv)	Mr. Ashish Kumar Agarwal, Nominee Director	Nil	Nil	Nil	Nil
(v)	Mr. Herbert Coenen, Director	Nil	Nil	Nil	Nil
(vi)	Mr. M R Umarji, Independent Director <i>(resigned w.e.f. 11<sup>th</sup> April, 2020)</i>	Nil	Nil	Nil	Nil
(vii)	Mr. Sharat Krishan Mathur, Independent Director	Nil	Nil	Nil	Nil
(viii)	Ms. Shradha Suri, Independent Director	Nil	Nil	Nil	Nil
(ix)	Mr. Sudhakar Kolli	Nil	Nil	Nil	Nil

(x)	Mr. Sanjiv Kashyap, Chief Financial Officer	Nil	Nil	Nil	Nil
(xi)	Mr. Mukesh Kumar, Company Secretary	Nil	Nil	Nil	Nil

3. At the end of the year (or on the date of separation, if separated during the year)					
(i)	Mr. Gurdeep Soni, Chairman and Managing Director	1,49,55,570	33.14	Nil	Nil
(ii)	Mr. Paramjit Singh Soni, Vice Chairman and Director	10,00,000	2.22	Nil	Nil
(iii)	Mr. Alok Nagory, Independent Director	Nil	Nil	Nil	Nil
(iv)	Mr. Ashish Kumar Agarwal, Nominee Director	Nil	Nil	Nil	Nil
(v)	Mr. Herbert Coenen, Director	Nil	Nil	Nil	Nil
(vi)	Mr. M R Umarji, Independent Director (resigned w.e.f. 11 <sup>th</sup> April, 2020)	Nil	Nil	Nil	Nil
(vii)	Mr. Sharat Krishan Mathur, Independent Director	Nil	Nil	Nil	Nil
(viii)	Ms. Shradha Suri, Independent Director	Nil	Nil	Nil	Nil
(ix)	Mr. Sanjiv Kashyap, Chief Financial Officer	Nil	Nil	Nil	Nil
(xi)	Mr. Mukesh Kumar, Company Secretary	Nil	Nil	Nil	Nil

V. INDEBTEDNESS				
(Amount in ₹)				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,45,62,91,520	-		3,45,62,91,520
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,45,62,91,520</b>			<b>3,45,62,91,520</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	89,13,21,402	-	-	89,13,21,402
<b>Indebtedness at the end of the financial year</b>				

i) Principal Amount	2,56,49,70,118			2,56,49,70,118
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,56,49,70,118</b>			<b>2,56,49,70,118</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in ₹)				
Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Gurdeep Soni, Chairman and Managing Director		
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2.	Stock Option	-		-
3.	Sweat Equity	-		-
4.	Commission			
	- As % of profit	-		-
	- Others, specify	-		-
5.	Others, please specify	-		-
Total (A)		-		-
Overall ceiling as per the Act		(As per Schedule V of the Companies Act, 2013)		

B. Remuneration to other directors: (Amount in ₹)						
Sl. No.	Particulars of Remuneration-	Name of Directors				Total Amount
1.	Independent Directors	Mr. Alok Nagory	Mr. M R Umarji	Mr. Sharat Krishan Mathur	Ms. Shradha Suri	
	Fee for attending board / committee meetings	50,000	1,60,000	1,80,000	50,000	4,40,000
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
Total (1)		50,000	1,60,000	1,80,000	50,000	4,40,000
2.	Other Non-Executive Directors	Mr. Ashish Kumar Agarwal	-	-	-	-
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
Total (2)		-	-	-	-	-
Total (B)=(1)+(2)		50,000	1,60,000	1,80,000	50,000	4,40,000
Total Managerial Remuneration (A+B)						

Overall ceiling as per the Act	For Sitting Fees paid to Independent Directors – Rs. 1,00,000 per Board and Committee Meeting, and for Remuneration to Managing Director, Whole-time Directors and/or Manager as per Schedule V of the Companies Act, 2013.
--------------------------------	---

C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD					(Amount in ₹)
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Sudhakar Kolli, Chief Operating Officer	Mr. Munish Sapra, Chief Financial Officer	Mr. Mukesh Kumar, Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,67,46,004	1,02,86,251	60,57,762	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	1,67,85,604	1,02,86,251	60,57,762	3,31,29,617

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sd/-  
(Gurdeep Soni)  
Chairman and Managing Director  
DIN: 00011478



**STATEMENT OF PARTICULARS OF EMPLOYEES  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**(Pursuant to the provisions of section 197 (12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended up to date)**

Name of the Employee	Designation	Remuneration received	Qualification	Nature of Employment	Age	Total Experience (years)	Date of Joining	Last Employment held
		(in Rs.)			(years)			
Sudhakar Kolli	Group Chief Operating Officer	2,11,72,320	Master in Mechanical Engineering, MBA (Organizational Leadership)	Permanent	59	36	08-Feb-16	Hyva
Munish Sapra	Group Chief Financial Officer	1,27,68,471	B. Com, PGDFM, CA	Permanent	52	26	07-Jan-19	Sona BLW Precision Forgings LTD
Anil Gaur	Group Chief People Officer	1,25,64,464	Graduate in Social Work, M.A, LLB, PGD-HRM,	Permanent	54	30	01-Feb-19	Tafe Motors & Tractors LTD
Jaswinder Singh Bhogal	Vice President	1,04,94,192	B.Com, MBA (Marketing)	Permanent	49	24	01-Jan-08	Bhogal Exports
Mukesh Kumar	Associate Vice President	60,75,000	B.Com, LLB, CS	Permanent	43	16	19-Jan-16	Intex Technology India LTD
Hari Buddhiraju	Associate Vice President	58,29,668	PG in Tool, Die and Mould Design, Executive MBA	Permanent	56	30	23-Jul-18	Cummins India Ltd.
Vivek Maheshwari	Associate Vice President	50,19,616	B.Com, CA, CS, MBA (Finance & Marketing)	Permanent	41	20	02-May-18	Genpact India Pvt. Ltd.
Premendra Singh Rathor	Associate Vice President	50,00,000	B.Tech - (Mechanical)	Permanent	47	25	15-Oct-18	CNH Industrial
L Manibaskar	Senior General Manager	48,94,601	BE - (Mechanical), M.Tech - (Energy technology)	Permanent	46	21	02-May-16	New Holland Fiat (India) Pvt Ltd. CNH
Karuppiiah Velu	Associate Vice President	48,00,000	B.E. - (Mechanical), MBA (Operations)	Permanent	49	26	01-Apr-00	-

**Notes:**

1. Remuneration shown above includes salary, allowances, performance linked incentive paid, leave encashment paid, LTA, perquisites (as per Income Tax Act, 1961). In addition, employees are entitled to Gratuity, Provident Fund and Medical Insurance & Group Personal Accident Insurance Policy, as per the Company's policies.
2. None of the above-mentioned employee/ Director is related to any Director of the Company.
3. The nature of employment of the people is governed though employment letter/ contract entered with them.
4. None of the employees holds 2% or more of the paid-up equity share capital of the Company.

\*Employed for part of the year and were in receipt of remuneration which includes them in top ten employees in terms of remuneration drawn on annualized basis and as required under rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended up to date.

**For and on behalf of the Board of Directors**

**Sd/-  
(Gurdeep Soni)  
Chairman and Managing Director  
DIN: 00011478**



**RAKESH BANWARI & CO.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**Uniparts India Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Uniparts India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 ended on that date, notes to financial statements and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ("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, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis of Opinion**

We conducted our audit of the Standalone 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 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion



and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our 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 and, in doing so, consider whether the 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 regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's management and Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Responsibilities 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 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 reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality 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 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 Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.
  - 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:
    - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
  - 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 in its standalone financial statements. (Refer Note 30 to the standalone financial statements).



- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note 39 and 40 to the standalone financial statements).
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Rakesh Banwari & Co.  
Chartered Accountants  
Firm Registration No: 009732N

(Rakesh Aggarwal)  
Proprietor  
Membership Number: 088193  
UDIN : 20088193AAAABHI761



Place : New Delhi  
Dated : 29<sup>th</sup> August 2020

## **Annexure - A to the Independent Auditors' Report**

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Uniparts India Limited of even date)

### **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 Uniparts India Limited ("the Company") as at 31<sup>st</sup> March, 2020 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 management 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 of the Company.



### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, 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 Rakesh Banwari & Co.  
Chartered Accountants  
Firm Registration No: 009732N



(Rakesh Aggarwal)  
Proprietor  
Membership Number: 088193  
UDIN : 20088193AAAABH1761

Place : New Delhi  
Dated : 29<sup>th</sup> August 2020



## Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Uniparts India Limited of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2020, we report that:

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. The inventory has been physically verified at the end of the year by the management. In our opinion, the frequency of physical verification is reasonable. The Company has maintained proper records of the inventory. No material discrepancies were noticed during such physical verification.
- iii.
  - (a) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a) of the Order is not applicable to the Company.
  - (b) According to the information and explanation given to us, the Company has not granted loans to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.



- (c) According to the information and explanation given to us, there are no overdue amounts of more than ninety days as the company has not granted loans to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the provisions of sec. 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans given, investments made, guarantees and security deposits given.
- v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India, provisions of Section 73 to 78 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and goods and service tax. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, goods and service tax, sales tax, service tax and value added tax have not been deposited by the Company on accounts of disputes:

Name of the statute	Nature of dues	Amount (in Lakh)	Period to which the amount relates	Forum where dispute is pending
GST Act, 2017	IGST	1.74	F.Y.2019-20	Astt. Commissioner of GST
UP VAT Act, 2005	Sales Tax	1.33	F.Y. 2017-18	Dy. Commissioner of VAT
UP VAT Act, 2005	Sales Tax	2.39	F.Y. 2016-17	Dy. Commissioner of VAT
GST Act, 2017	IGST	1.88	F.Y. 2018-19	Astt. Commissioner of GST
UP VAT Act, 2005	Sales Tax	2.74	F.Y. 2015-16	Dy. Commissioner of VAT
UP VAT Act, 2005	Sales Tax	7.38	F.Y. 2012-13	Dy. Commissioner of VAT



UP VAT Act, 2005	Sales Tax	1.62	F.Y. 2011-12	Dy. Commissioner of VAT
UP VAT Act, 2005	Sales Tax	3.99	F.Y. 2013-14	Dy. Commissioner of VAT
UP VAT Act, 2005	Sales Tax	3.87	F.Y. 2014-15	Dy. Commissioner of VAT
AP VAT Act, 2005	Commercial Tax	92.27	F.Y. 2014-15	Dy. Commissioner of VAT
Central Excise and Customs Act, 1944	Customs Tax	16.02	F.Y. 2008-09	High Court of Hyderabad.
Income Tax Act, 1961	Income Tax	1.62	A.Y. 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.34	A.Y. 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	401.30	A.Y. 2017-18	Commissioner of Income Tax (Appeals)

- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or debenture holders during the year.
- ix. In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer and the term loans were not applied for the purpose for which the same were raised during the year.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanation given to us, the company has paid / provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. According to the information and explanation given to us, the company is not a "Nidhi Company". Accordingly, paragraph (xii) of the Order is not applicable to the company.
- xiii. According to the information and explanation given to us, all the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.



xvi. According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Rakesh Banwari & Co.  
Chartered Accountants  
Firm Registration No: 009732N

(Rakesh Aggarwal)  
Proprietor  
Membership Number: 088193  
UDIN : 20088193AAAABH1761



Place : New Delhi  
Dated : 29<sup>th</sup> August 2020

## Balance Sheet

As at 31st March, 2020



## Uniparis India Limited

Annual Report 2019-20

	Notes	As at 31st March 2020	As at 31st March 2019
(INR in millions)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	2,124.76	2,098.19
Capital work-in-progress	3	69.86	49.11
Intangible assets	3	29.22	24.00
Intangible assets under development	3	6.30	17.54
Financial assets			
Investments	4	505.95	502.64
Other financial assets	5	44.28	45.31
Current tax assets (Net)		83.25	95.27
Other assets	6	4.46	27.46
<b>Total non-current assets</b>		<b>2,868.08</b>	<b>2,859.52</b>
<b>CURRENT ASSETS</b>			
Inventories	7	1,275.18	1,436.96
Financial assets			
Trade receivables	8	847.09	1,014.76
Cash and cash equivalents	9	47.30	30.47
Other balances with banks	9	0.35	72.42
Derivative instruments		-	14.70
Loans	10	1.49	4.69
Other financial assets	5	0.33	0.40
Other assets	6	287.34	373.23
<b>Total current assets</b>		<b>2,459.08</b>	<b>2,947.63</b>
<b>Total Assets</b>		<b>5,327.16</b>	<b>5,807.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	446.20	446.20
Other equity	12	2,283.34	2,212.10
<b>Total equity</b>		<b>2,729.54</b>	<b>2,658.30</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	174.31	375.20
Other financial liabilities	14	83.18	-
Provisions	15	107.34	103.05
Deferred tax liabilities (Net)	16	94.30	148.14
Other liabilities	17	3.28	3.68
<b>Total non-current liabilities</b>		<b>462.41</b>	<b>630.07</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	1,389.00	1,719.24
Derivative instruments		33.57	-
Trade payables due to:	18		
Micro and small enterprises		136.83	102.97
Other than micro and small enterprises		222.23	363.30
Other financial liabilities	14	197.01	128.75
Other liabilities	17	122.17	167.54
Provisions	15	34.40	36.98
<b>Total current liabilities</b>		<b>2,135.21</b>	<b>2,518.78</b>
<b>Total equity and liabilities</b>		<b>5,327.16</b>	<b>5,807.15</b>
Significant accounting policies	1 & 2		
See accompanying Notes to the Financial Statements			

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants  
Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)  
Membership No. 088193

Place : New Delhi  
Date: 29 August 2020

**Gurdeep Soni**

(Chairman & Managing Director)  
[DIN: 00011478]

**Munish Sapra**

(Chief Financial Officer)

For and on behalf of Board of Directors of

**Uniparis India Limited**

**Paramjit Singh Soni**

(Vice Chairman & Director)  
[DIN: 00011616]

**Mukesh Kumar**

(Company Secretary)  
[ACS: 17925]

# Statement of Profit and Loss

For the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

	Notes	Year ended 31st March 2020	Year ended 31st March 2019
<b>INCOME</b>			
Revenue from operations	19	5,378.62	6,530.09
Other income	20	73.02	62.98
<b>Total Income</b>		<b>5,451.64</b>	<b>6,593.07</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	2,208.58	2,998.23
Changes in inventories of finished goods, work-in-progress and scrap	22	116.89	(164.04)
Employee benefits expense	23	1,061.36	1,077.84
Finance costs	24	113.07	115.31
Depreciation and amortization expenses	25	247.39	186.74
Other expenses	26	1,549.24	2,082.87
<b>Total expenses</b>		<b>5,296.53</b>	<b>6,296.95</b>
<b>Profit before tax</b>		<b>155.11</b>	<b>296.12</b>
<b>TAX EXPENSES</b>			
Current tax		18.97	54.28
MAT credit		19.06	(4.60)
Earlier years		(0.81)	(0.35)
Deferred tax		(39.78)	12.36
<b>Total tax expenses</b>		<b>(2.56)</b>	<b>61.69</b>
<b>Profit for the year</b>		<b>157.67</b>	<b>234.43</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains / (losses) of defined benefit plans		7.56	(7.17)
Income tax effect		(1.94)	2.51
		<b>5.62</b>	<b>(4.66)</b>
Items that will be reclassified to Profit or Loss:			
Effective portion of cash flow hedge		(48.27)	14.70
Income tax effect		12.15	(5.14)
		<b>(36.12)</b>	<b>9.56</b>
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(30.50)</b>	<b>4.90</b>
<b>Total comprehensive income for the year</b>		<b>127.17</b>	<b>239.33</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH</b>			
Basic (In ₹)	28	3.57	5.32
Diluted (In ₹)		3.49	5.19
Significant accounting policies	1 & 2		
See accompanying Notes to the Financial Statements			

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants

Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)

Membership No. 088193

**Place : New Delhi**

**Date: 29 August 2020**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Munish Sapra**

(Chief Financial Officer)

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Mukesh Kumar**

(Company Secretary)

[ACS: 17925]

# Cash Flow Statement

For the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particular	Year ended 31st March 2020	Year ended 31st March 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	155.11	296.13
<b>Adjustments for:</b>		
Depreciation and amortization expenses	247.38	186.73
Interest expenses	87.90	96.97
Interest income	(12.02)	(3.88)
Expense on employee stock option scheme	2.54	1.99
Transitional impact of IndAS116	(11.01)	-
Dividend income	(51.84)	(37.44)
Reclassification Of cash flow hedge	-	(1.40)
(Profit) / Loss on sale of property, plant and equipment	1.67	4.53
Fixed assets written-off	0.73	3.97
Unrealised foreign exchange (gain)/ loss	30.45	(5.70)
<b>Operating Profit Before Working Capital Changes</b>	<b>450.91</b>	<b>541.90</b>
<b>Adjustments For Changes In Working Capital :</b>		
Increase/(decrease) in loans	3.20	(2.64)
(Increase)/decrease in other financial assets (non-current)	1.03	(1.76)
(Increase)/decrease in other non-current assets	23.01	24.87
(Increase)/decrease in inventories	161.78	(243.78)
(Increase)/decrease in trade receivables	205.88	(69.03)
(Increase)/decrease in derivative instruments	-	2.14
(Increase)/decrease in other financial assets (current)	0.08	0.23
(Increase)/decrease in current tax assets (net)	12.05	(31.26)
(Increase)/decrease in other current assets	85.87	(16.19)
Increase/(decrease) in provisions (non-current)	11.84	11.46
Increase/(decrease) in other non-current liabilities	(0.40)	(0.27)
Increase/(decrease) in trade payables	(107.58)	(142.93)
Increase/(decrease) in other financial liabilities	151.44	33.28
Increase/(decrease) in other current liabilities	(29.15)	0.49
Increase/(decrease) in provisions (current)	(2.58)	4.84
<b>Cash generated from/(used in) operations</b>	<b>967.38</b>	<b>111.35</b>
Income tax (paid) / refunds	37.22	49.33
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>930.16</b>	<b>62.02</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(294.16)	(470.15)
Payments for purchase of intangible assets	(2.88)	(8.58)
proceeds from sale of property, plant and equipment	5.97	9.57
Interest received	12.02	3.88
Dividend received	51.84	37.44
<b>Net cash flow from/ (used in) operating activities (B)</b>	<b>(227.21)</b>	<b>(427.84)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) from short term borrowings	(398.51)	415.86
Proceeds from long term borrowings	-	223.71
Repayment of long term borrowings	(200.90)	-
Interest paid	(87.90)	(96.97)
Payment of dividend on equity shares (including DDT)	(54.64)	(46.72)
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(741.95)</b>	<b>495.88</b>

<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	(39.00)	130.05
<b>Opening balance of cash and cash equivalents</b>	102.89	21.32
<b>Net increase/(decrease) in temporary overdraft</b>	(16.21)	(48.48)
<b>Closing balance of cash and cash equivalents [Refer Note 9]</b>	<b>47.68</b>	<b>102.89</b>
<b>Cash and cash equivalents comprises :</b>		
Cash in hand	1.59	2.72
Balances with banks	45.71	27.75
Other bank balances	0.35	72.42

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants

Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)

Membership No. 088193

**Place : New Delhi**

**Date: 29 August 2020**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Munish Sapra**

(Chief Financial Officer)

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Mukesh Kumar**

(Company Secretary)

[ACS: 17925]



## Statement of Change in Equity

For the year ended 31st March, 2020



Uniparis India Limited

Annual Report 2019-20

### A. EQUITY SHARE CAPITAL

(INR in millions)

	Amount
<b>Balance at 1st April, 2018</b>	451.34
Change during the year 2018-19	-
<b>Balance at 1st April, 2019</b>	451.34
Change during the year 2019-20	-
<b>Balance at 31st March, 2020</b>	451.34

### B. OTHER EQUITY

(INR in millions)

Particulars	Reserves and Surplus				Items of other comprehensive income	
	Security premium	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Effective portion of cash flow hedge	Total
<b>Balance as at 1st April, 2019</b>	881.35	1,313.09	70.00	30.14	9.56	2304.14
Transition impact of Ind AS 116, net of tax		(7.16)				(7.16)
<b>Restated balance as at 1st April, 2019</b>	<b>881.35</b>	<b>1,305.93</b>	<b>70.00</b>	<b>30.14</b>	<b>9.56</b>	<b>2296.98</b>
Profit for the year	-	157.67	-	-	-	157.67
Other comprehensive income for the year	-	5.63	-	-	(36.12)	(30.49)
Total comprehensive income for the year	881.35	1,469.23	70.00	30.14	(26.56)	2424.16
Payment of dividend on equity shares	-	(54.16)	-	-	-	(54.16)
Tax on dividend	-	(11.13)	-	-	-	(11.13)
Reversal of tax on dividend	-	10.66	-	-	-	10.66
Transfer from Special Economic Zone re-investment reserve		33.96	(33.96)			
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	-	-
Amount reconginsed during the year	1.10					1.10
ESOP Granted during the year	-	-	-	5.85	-	5.85
	882.45	1,448.56	36.04	35.99	(26.56)	2376.48
Employees Stock Option	(93.14)	-	-	-	-	(93.14)
<b>Balance as at 31st Mar, 2020</b>	<b>789.31</b>	<b>1,448.56</b>	<b>36.04</b>	<b>35.99</b>	<b>(26.56)</b>	<b>2,283.34</b>

(INR in millions)

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Security premium	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Effective portion of cash flow hedge	
<b>Balance as at 1st April, 2018</b>	865.74	1,200.03	-	28.15	1.40	2,095.32
Profit for the year		234.44	-	-	-	234.44
Other comprehensive income for the year	-	(4.66)	-	-	8.17	3.51
Total comprehensive income for the year	865.74	1,429.81	-	28.15	9.57	2,333.27
Payment of dividend on equity shares	-	(45.13)	-	-	-	(45.13)
Tax on dividend	-	(9.28)	-	-	-	(9.28)
Reversal of tax on dividend	-	7.70	-	-	-	7.70
Transfer from Special Economic Zone re-investment reserve	-	(70.00)	70.00	-	-	-
Amount reconginsed during the year	15.60					15.60
ESOP Granted during the year	-	-	-	1.99	-	1.99
	881.34	1,313.10	70.00	30.14	9.57	2,304.15
Amount recoverable from Uniparts Employees Stock Option	(92.04)	-	-	-	-	(92.04)
<b>Balance as at 31st March, 2019</b>	<b>789.30</b>	<b>1,313.10</b>	<b>70.00</b>	<b>30.14</b>	<b>9.57</b>	<b>2,212.11</b>

As per our report of even date attached.

**For Rakesh Banwari & Co.**Chartered Accountants  
Firm Regn. No.009732N**Rakesh Aggarwal**(Proprietor)  
Membership No. 088193**Place : New Delhi****Date: 29 August 2020****Gurdeep Soni**(Chairman & Managing Director)  
[DIN: 00011478]**Munish Sapra**

(Chief Financial Officer)

For and on behalf of Board of Directors of

**Uniparts India Limited****Paramjit Singh Soni**(Vice Chairman & Director)  
[DIN: 00011616]**Mukesh Kumar**(Company Secretary)  
[ACS: 17925]

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 1) Corporate Information

Uniparts India Limited (“the Company”) is a Company (limited by shares) incorporated under the provisions of Companies Act, 1956. The Company is domiciled in India having its registered office at Gripwel House, Block-5, C6 & 7, Vasant Kunj, New Delhi 110070, India. The Company is engaged into manufacturing having facilities at Noida, Ludhiana and Vizag locations. The company is engaged into manufacturing, sales and export of linkage parts and components for Off - Highway Vehicles.

The Company caters to both the domestic and international markets. The Company’s CIN is U74899DL1994PLC061753.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1) Basis of Preparation

These financial statements of the Company are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (“The Act”) and other relevant provisions of the Act, as applicable

With effect from 1st April, 2019, Ind AS 116 – “Leases” (Ind AS 116) supersedes Ind AS 17 – “Leases”. The Company has adopted Ind AS 116 using the modified retrospective approach. The application of Ind AS 116 has resulted into recognition of ‘Right-of-Use’ asset with a corresponding Lease Liability in the Balance Sheet.

The Company’s Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest millions (₹0,00,000), except when otherwise indicated.

#### 2.2) Current versus non-current classification

The assets and liabilities are presented as current or non-current in the balance sheet by the company.

An asset is treated as current when it is expected that it will be realised or intended to be sold or consumed in normal operating cycle, it is held primarily for trading purposes, it is expected to be realised within twelve months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are treated as non-current in the balance sheet.

A liability is treated as current when it is expected to be settled in normal operating cycle if it is held primarily for the purpose of trading, it is due to be settled within twelve months after the end of the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current in the balance sheet.

The company identifies its operating cycle as twelve months.

Deferred tax asset and liabilities are classified as non-current assets and liabilities in the balance sheet.

#### 2.3) Critical Accounting Judgments & key sources of Estimation uncertainties

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company’s accounting policies and these may have the most significant effect on the amounts recognized in the financial statements or have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods where revision affects both current and future periods.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### Intangible Assets

Capitalization of cost for intangible assets and intangible assets under development is based on the management judgment that technological and economic feasibility is confirmed and assets under development will generate economic benefits in future. Based on the evaluation carried out, the company's management has determined that there are no factors which indicate that those assets have suffered any impairment loss.

### Useful life of depreciable Assets

Management reviews the useful life of depreciable assets at each reporting date. As at March 31, 2020 management assessed that the useful life represents the expected utility of the assets by the company. Further there is no significant change in useful life as compared to the previous year.

### Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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 risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### Defined benefit plans

The cost of the defined benefit gratuity plan, other post-employment plans and the present value of the gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes.

### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### Income tax and deferred tax

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 2.4) 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.

#### Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at their fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### Subsequent measurement

##### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms 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.

The trade & other receivables, after initial measurement are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

##### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms 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.

Financial assets included within the FVTOCI are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

##### (iv) Financial liabilities

a) The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

b) Loans and borrowings is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. In the calculation of amortised cost, discount or premium on acquisition and fees or costs that are an integral part of the EIR are taken into account. This category generally applies to borrowings.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

### Derecognition of financial instrument

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or has transferred the financial asset and the transfer qualifies for derecognition under Ind AS 109.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### 2.5) Inventories

Inventories are valued as below:

- (i) Raw Materials, Packing Materials and Consumable Stores & Spares are valued at cost computed on FIFO method.
- (ii) Work-in-progress are valued at materials cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.
- (iii) Finished Goods/Traded Goods are valued at lower of the cost or net realizable value.
- (iv) Scrap is valued at net realizable value calculated based on last month's average realization.

### 2.6) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is presented net of Goods and Service Tax, wherever applicable. However, Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, these are excluded from revenue.

The specific recognition criteria as described below must also be met before revenue is recognised.

#### Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer at the time of dispatch of goods from the factory/stockyard/storage area/port as the case may be. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### Export incentives

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

### Die design and preparation charges

Revenues from die design and preparation charges are recognized as per the terms of the contract as and when the significant risks and rewards of ownership of dies are transferred to the buyers.

### Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### 2.7) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

### 2.8) Property, Plant & Equipment

#### Tangible Assets

Depreciation on tangible assets is provided on the straight-line method at the rates and manner prescribed under Schedule II of the Companies Act, 2013 except in the case of Plant and Machinery where the depreciation has been provided on the basis of the useful lives of the assets estimated by the management based on internal assessment and independent technical evaluation carried out by external Chartered Engineer at the time of adoption of Companies Act, 2013. Depreciation for the assets purchased / sold during the year is proportionately charged.

The estimated useful lives are as mentioned below:

Type of Asset	Method	Useful Lives
Leasehold land	Straight Line	Over the period of lease or estimated useful life, whichever is lower.
Factory Building	Straight Line	30 Years
Furniture & Fittings	Straight Line	10 Years
Plant and Machinery	Straight Line	10 - 20 Years
Office Equipment	Straight Line	5 Years
Vehicles	Straight Line	8-10 Years
Computer	Straight Line	3-6 Years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalized at cost, including non-creditable GST wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note regarding significant accounting judgments, estimates and assumptions and provisions for further information.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

### 2.9) Intangible Assets

#### Recognition and initial measurement

Purchased Intangible assets are stated at cost less accumulated amortisation and impairment, if any.

#### Internally developed intangible assets

Expenditure on the research phase of projects is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided the Company can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- its intention to complete the intangible asset and use or sell it
- its ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs.

### 2.10) Foreign Currency Transactions

#### Functional and presentation currency

The financial statements are presented in Indian Rupee (INR) and are rounded to two decimal places of millions, which is also the functional and presentation currency of the Company.

#### Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.



## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 2.11) Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost less accumulated impairments, if any.

### 2.12) Employee Benefits

#### (i) Short term employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service, are classified as short term employee benefits, which include salaries, wages, short term compensated absences and performance incentives and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. These are recognised as expenses in the period in which the employee renders the related service.

#### (ii) Post-employment benefits

Contributions towards Superannuation Fund, Pension Fund and government administered Provident Fund are treated as defined contribution schemes. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. Such contributions are recognised as expense in the period in which the employee renders related service. The cost of defined benefit such as is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses in respect of the same are charged to the Other Comprehensive Income (OCI).

#### (iii) Other long-term benefits

All employee benefits other than post-employment benefits and termination benefits, which do not fall due wholly within twelve months after the end of the period in which the employees render the related service, including long term compensated absences, service awards, and gratia, are determined based on actuarial valuation carried out at each balance sheet date. Estimated liability on account of long term employee benefits is discounted to the present value using the yield on government bonds as the discounting rate for the term of obligations as on the date of the balance sheet. Actuarial gains and losses in respect of the same are charged to the statement of profit and loss.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary retirement in exchange of these benefits. The Company recognises termination benefits at the earlier of the following dates:  
(a) when the Company can no longer withdraw the offer of those benefits; and  
(b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. The termination benefits are measured based on the number of employees expected to accept the offer in case of voluntary retirement scheme.

### 2.13) Leases

#### (i) Determining whether a contract contains lease

At inception of a contract, the Company determines whether the contract is, or contains, a lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset or assets for a period of time in exchange for consideration, even if that right is not explicitly specified in a contract.

At inception or on reassessment of a contract that contains lease component and one or more additional lease or non-lease components, the Company separates payments and other consideration required by the contract into those for each lease component on the basis of their relative stand-alone price and those for non-lease components on the basis of their relative aggregate stand-alone price. If the Company concludes that it is impracticable to separate the payments reliably, then right-of-use asset and Lease liability are recognised at an amount equal to the present value of future lease payments; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. The previous determination pursuant to Ind AS 17 and its 'Appendix C' of whether a contract is a lease has been maintained for existing contracts.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### (ii) Company as a lessee

At inception, the Company assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether it depends on an identified asset, whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of that asset.

The Company has elected to separate lease and non-lease components of contracts, wherever possible.

The Company recognizes a right-of-use asset and a lease liability at the transition date/ lease commencement date. The right-of-use asset is initially measured based on the present value of future lease payments, plus initial direct costs wherever identifiable, and cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, and lease payments made at or before the commencement date, less any incentives received. The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment.

At the commencement date, Company measures the lease liability at the present value of the future lease payments that are not yet paid at that date discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company's uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset, if the Company changes its assessment whether it will exercise an extension or a termination option.

The Company has elected not to recognize right-of-use assets and liabilities for leases where the total lease term is less than or equal to 12 months, or for leases of low value assets. The payments for such leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

### (iii) Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

## 2.14) Taxation

### a) Current Tax

The tax currently payable is based on taxable profit for the year. 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 as per Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period.

### b) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised and carried forward only if it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax. Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

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.

### c) Minimum Alternative Tax

Minimum Alternative Tax (MAT) paid during the year is charged to the statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified year.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 2.15) Employee Stock options

The company has accounted for the share based payment for employees in respect of UIL ESOP - based on the IND AS 102 " Share-based payments" and Guidance Note on "Accounting for Employees Share Based Payment" issued by ICAI ("Guidance Note"). The Company follows the Fair Market Value Method (calculated on the basis of Black-Scholes method) to account for compensation expenses arising from issuance of stock options to the employees and has recognized the services received in an equity-settled employee share-based payment plan as an expense when it receives the services, with a corresponding credit to Stock Options Outstanding Account. Further, employees compensation cost recognized earlier on grant of options is reversed in the year when the Options are surrendered by the employee.

### 2.16) Borrowings & Borrowing Costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

### 2.17) Impairment of Fixed Assets

#### Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

### 2.18) Cash and Cash Equivalents

Cash and cash equivalents includes cash and cheques in hand, current accounts and fixed deposit accounts with banks 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.

### 2.19) Cash Flow Statement

Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Company are segregated.

### 2.20) Provisions and Contingencies

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

### 2.21) Derivative financial instruments and hedge accounting

#### Cash Flow Hedge:

The Company enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss. Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

### 2.22) Dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

### 2.23) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

### 2.24) Earnings Per Share

Earning per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period / year attributable to equity shareholders and the weighted average number of shares outstanding during the period / year are adjusted for the effects of all dilutive potential equity shares.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



**Uniparts India Limited**

Annual Report 2019-20

### 3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(INR in millions)

Description	Gross Block				Depreciation/Amortisation and Depletion				Net Block	
	As at 1st April 2019	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March 2020	As at 1st April 2019	For the year	Deductions/ Adjustments	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
<b>PROPERTY, PLANT AND EQUIPMENT</b>										
<b>Own Assets:</b>										
Land	34.33	-	-	34.33	-	-	-	-	34.33	34.33
Buildings	688.85	9.62	-	698.47	158.94	21.84	-	180.78	517.69	529.91
Leasehold Improvement	15.17	-	-	15.17	11.63	1.72	-	13.35	1.82	3.54
Plant & Machinery	2,020.41	105.18	25.36	2,100.23	835.76	158.75	22.11	972.40	1,127.83	1,184.65
Furniture & fixtures	43.29	1.09	0.87	43.51	28.30	2.26	0.81	29.75	13.76	14.99
Vehicles	38.06	8.54	21.42	25.18	30.32	2.15	18.64	13.83	11.35	7.74
Office Equipments	46.06	6.56	3.27	49.35	30.25	4.11	2.99	31.37	17.98	15.81
Computers	96.09	6.56	8.20	94.45	66.86	9.90	7.67	69.09	25.36	29.23
<b>Sub total</b>	<b>2,982.26</b>	<b>137.55</b>	<b>59.12</b>	<b>3,060.69</b>	<b>1,162.06</b>	<b>200.73</b>	<b>52.22</b>	<b>1,310.57</b>	<b>1,750.12</b>	<b>1,820.20</b>
<b>Right-of-Use Assets:</b>										
Land	291.10	-	-	291.10	13.09	6.56	-	19.65	271.45	278.01
Buildings	132.58	1.28	-	133.86	-	31.22	-	31.22	102.64	-
Vehicles	1.39	0.61	-	2.00	-	1.46	-	1.46	0.54	-
<b>Sub total</b>	<b>425.07</b>	<b>1.90</b>	<b>-</b>	<b>426.96</b>	<b>13.09</b>	<b>39.24</b>	<b>-</b>	<b>52.33</b>	<b>374.63</b>	<b>278.01</b>
<b>Total (A)</b>	<b>3,407.33</b>	<b>139.45</b>	<b>59.12</b>	<b>3,487.65</b>	<b>1,175.15</b>	<b>239.97</b>	<b>52.22</b>	<b>1,362.90</b>	<b>2,124.75</b>	<b>2,098.21</b>
<b>INTANGIBLE ASSETS</b>										
Software	126.91	14.12	1.50	139.53	102.91	7.41	-	110.32	29.21	24.00
<b>Total (B)</b>	<b>126.91</b>	<b>14.12</b>	<b>1.50</b>	<b>139.53</b>	<b>102.91</b>	<b>7.41</b>	<b>-</b>	<b>110.32</b>	<b>29.21</b>	<b>24.00</b>
<b>Total (A+B)</b>	<b>3,534.24</b>	<b>153.57</b>	<b>60.62</b>	<b>3,627.18</b>	<b>1,278.06</b>	<b>247.38</b>	<b>52.22</b>	<b>1,473.22</b>	<b>2,153.96</b>	<b>2,122.21</b>
<b>Previous Year</b>	<b>2,670.84</b>	<b>702.43</b>	<b>99.91</b>	<b>3,273.36</b>	<b>1,076.31</b>	<b>180.70</b>	<b>81.85</b>	<b>1,175.16</b>	<b>2,098.20</b>	<b>1,594.53</b>
<b>CAPITAL WORK-IN-PROGRESS</b>										
									<b>69.86</b>	49.11
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>										
									<b>6.30</b>	17.54

3.1) For Assests given as security - Refer Note 13

3.2) The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets. Further, balances of right-of-use assets towards Building and Vehicles as at April 1, 2019 includes transition adjustment of Ind AS116 of ₹ 133.97 million and additions of ₹ 1.89 million and a Lease Liability of ₹ 144.97 million as at April 1, 2019.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>4. INVESTMENTS</b>		
<b>Non-current</b>		
<b>In Equity shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
Uniparts USA Ltd. 2,000 (2,000) Common Stock of \$ 10 each	0.87	0.87
Uniparts Europe B.V. 11,00,000 (11,00,000) Shares of € 1 each	71.06	71.06
Less: Provision for diminution in value of investment	17.76	17.76
	<b>53.29</b>	<b>53.29</b>
<b>Gripwel Fasteners Pvt. Ltd. 57,59,842 (57,59,842) Equity Shares of ₹ 10 each</b>	49.87	49.87
Uniparts India GmbH I (1) Equity Share of € 100,000 each	5.94	5.94
<b>In Preference shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
Uniparts USA Ltd. 8,00,000 (8,00,000) Preferred Stock of \$ 10 each	392.67	392.67
<b>Total</b>	<b>502.64</b>	<b>502.64</b>
Investment in subsidiaries (for ESOP) [Refer Note 4.1]	3.32	-
<b>Total Investments Non-current</b>	<b>505.95</b>	<b>502.64</b>
Aggregate amount of Unquoted Investments	505.95	502.64
Aggregate provision for diminution in value of Investments	17.76	17.76

4.1) The amount of investment in subsidiaries for ESOP represents the current year impact on Profit & Loss account relating to ESOPs granted to the employees of subsidiaries and step-down subsidiary of the Company in accordance with IndAS 102.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>5. OTHER FINANCIAL ASSETS</b>		
<b>Non-current</b>		
Security deposits	44.18	45.28
Deposits with original maturity of more than twelve months	0.10	0.03
<b>Total</b>	<b>44.28</b>	<b>45.31</b>
<b>Current</b>		
Interest accrued but not due	0.33	0.40
<b>Total</b>	<b>0.33</b>	<b>0.40</b>

Particulars	As at 31st March 2020	As at 31st March 2019
<b>6. OTHER ASSETS</b>		
<b>Non-current (Unsecured, considered good)</b>		
Capital advances	4.46	27.46
<b>Total</b>	<b>4.46</b>	<b>27.46</b>
<b>Current (Unsecured, considered good)</b>		
Advances to suppliers [Refer Note 6.1]	13.56	12.46
Balance with customs, central excise, GST and state authorities	129.34	212.17
Government grant - export incentives receivable	57.74	67.72
Prepaid expenses	19.52	19.91
Advance payments, other recoverable in cash or in kind-or for value to be received	0.23	0.87
Advance rent	7.06	4.03
Fund raising expenses [Refer Note 44]	59.89	56.07
<b>Total</b>	<b>287.34</b>	<b>373.23</b>

6.1) No advances are due from directors or other officers of the Company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>7. INVENTORIES</b>		
Raw materials (including materials in transit)	231.51	261.86
Work-in-progress	565.20	682.88
Finished goods (including goods at port)	327.73	325.84
Stores and spares (Including materials in transit)	145.02	159.56
Scrap	5.72	6.82
<b>Total</b>	<b>1,275.18</b>	<b>1,436.96</b>

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>8. TRADE RECEIVABLES</b>		
<b>Current (Unsecured)</b>		
Trade receivables (considered good) [Refer Note 38- for related parties]	847.09	1,014.76
Credit Impaired	4.35	0.95
	<b>851.44</b>	<b>1,015.71</b>
<b>Impairment allowance (bad and doubtful debts)</b>		
Expected credit loss	(4.35)	(0.95)
<b>Total</b>	<b>847.09</b>	<b>1,014.76</b>

8.1) Generally payment against sale of goods become due as per payment terms, and fixed transaction price as per contracts with customers.

8.2) The carrying amount of trade receivables includes receivables which are discounted with banks. Since the Company has retained the late payment and credit risk of these receivables, such receivables are not derecognised and a corresponding amount is recognised as borrowings (Refer note no. 13). Amount so recognised is ₹ 42.65 millions for the year ended March 31, 2020 and ₹ 100.12 for the year ended March 31, 2019.

(INR in millions)

Particular	As at 31st March 2020	As at 31st March 2019
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1.59	2.72
<b>Balances with banks:</b>		
In cash credit and current accounts	44.55	27.69
In EEFC accounts	-	0.06
Deposits with original maturity of less than three months	1.16	-
<b>Total</b>	<b>47.30</b>	<b>30.47</b>
<b>Other bank balances</b>		
Deposits with original maturity of less than twelve months	0.35	72.42
<b>Total</b>	<b>0.35</b>	<b>72.42</b>



## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>10. LOANS</b>		
<b>Current (Unsecured, considered good)</b>		
Loans to employees	1.49	4.69
<b>Total</b>	<b>1.49</b>	<b>4.69</b>

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial assets carried at amortised cost</b>		
Other financial assets [Refer Note 5]	44.60	45.71
Trade receivables [Refer Note 8]	847.09	1,014.76
Cash and cash equivalents [Refer Note 9]	47.30	30.48
Other bank balances [Refer Note 9]	0.35	72.42
Loans [Refer Note 10]	1.49	4.69
<b>Total</b>	<b>940.83</b>	<b>1,168.06</b>

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial assets carried at fair value through OCI</b>		
Derivative instruments	-	14.70
<b>Total</b>	<b>-</b>	<b>14.70</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particular	As at 31st March 2020	As at 31st March 2019
<b>11. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
6,00,00,000 (March 31, 2019 : 6,00,00,000) equity shares of ₹ 10 each	600.00	600.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
4,51,33,758 (March 31, 2019 : 4,51,33,758) equity shares of ₹ 10 each fully Paid-up	451.34	451.34
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	5.14	5.14
<b>Total</b>	<b>446.20</b>	<b>446.20</b>

### 11.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

(INR in millions)

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	45,133,758	451.34	45,133,758	451.34
At the end of the year	<b>45,133,758</b>	<b>451.34</b>	<b>45,133,758</b>	<b>451.34</b>

### 11.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders of equity shares of the Company are entitled to receive dividends as and when declared by the Company and enjoy proportionate voting rights in case any resolution is put to vote. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 11.3 Details of shareholders holding more than 5% shares:

(INR in millions)

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019	
	Number	% holding in the class	Number	% holding in the class
Gurdeep Soni	14,955,570	33.14	14,955,570	33.14
Ashoka Investment	7,180,642	15.91	7,180,642	15.91
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	5,595,090	12.40	5,595,090	12.40
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	4,000,000	8.86	4,000,000	8.86
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	3,700,000	8.20	3,700,000	8.20
<b>Equity Shares at the end of the year</b>	<b>35,431,302</b>	<b>78.51</b>	<b>35,431,302</b>	<b>78.51</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particular	As at 31st March 2020	As at 31st March 2019
<b>12. OTHER EQUITY</b>		
<b>SECURITIES PREMIUM [Refer note 12.1]</b>		
As per last Balance Sheet	881.35	865.74
Add: Amount recognised during the year	1.10	15.61
	<b>882.45</b>	<b>881.35</b>
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	93.14	92.04
	<b>789.31</b>	<b>789.31</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 12.2]</b>		
As per last Balance Sheet	30.14	28.15
Add: Compensation for the year [Refer Note 23]	5.85	1.99
	<b>35.99</b>	<b>30.14</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	9.56	1.40
Add: Arising during the year	(36.12)	9.56
Less: Adjusted during the year	0.00	1.40
	<b>(26.56)</b>	<b>9.56</b>
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE [Refer note 12.4]</b>		
Balance at the beginning	70.00	-
Add: Arising during the year	-	70.00
Less: Adjusted during the year	33.96	-
	<b>36.04</b>	<b>70.00</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS [Refer note 12.3]</b>		
As per last Balance Sheet	<b>1,313.09</b>	<b>1,200.03</b>
Add: Transitional Impact of IndAS116 [Refer Note 31]	(7.16)	-
Add: Profit for the year	157.67	234.44
Add: Transfer from Special Economic Zone re-investment reserve	33.96	-
<b>Add: Other Comprehensive Income:</b>		
Re-measurement of defined benefit obligations (net of tax)	5.63	(4.66)
	<b>1,503.19</b>	<b>1,429.80</b>
<b>Less: Appropriations</b>		
Payment of dividend on equity shares	54.16	45.13
Tax on dividend	11.13	9.28
Reversal of tax on dividend	(10.66)	(7.70)
Transfer to Special Economic Zone re-investment reserve	-	70.00
	<b>54.63</b>	<b>116.71</b>
	<b>1,448.56</b>	<b>1,313.09</b>
<b>Total</b>	<b>2,283.34</b>	<b>2,212.10</b>

- 12.1 Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013
- 12.2 The Share option outstanding account is to be utilised for the purpose of issuance of Equity shares under Employee Stock Option Plan.
- 12.3 Retained earnings and General Reserve are to be utilised for General purpose.
- 12.4 The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>13. BORROWINGS</b>		
<b>Non-current borrowings</b>		
Foreign currency term loans from banks (secured) [Refer Note 13.1]	12.92	79.62
Rupee term loans from banks (secured) [Refer Note 13.2]	161.39	295.58
<b>Total</b>	<b>174.31</b>	<b>375.20</b>
<b>Current borrowings</b>		
<b>Current maturity of term loans from banks</b>		
Foreign currency term loans from banks (secured)	77.50	74.59
Rupee term loans from banks (secured)	87.42	54.17
Rupee term loans from others (secured) [Refer Note 13.2]	-	0.36
<b>Working capital loans from banks repayable on demand</b>		
<b>Foreign currency loans</b>		
Preshipment packing credit (secured) [Refer note 13.3]	1,346.35	1,337.35
<b>Rupee loans</b>		
Preshipment packing credit (secured) [Refer note 13.3]	-	281.40
Bill discounting with banks (unsecured) [Refer note 13.4]	42.65	100.12
<b>Total</b>	<b>1,553.92</b>	<b>1,847.99</b>
Less: Amount disclosed in other current financial liabilities [Refer note 14]	164.92	128.75
<b>Total</b>	<b>1,389.00</b>	<b>1,719.24</b>

### 13.1 Foreign Currency Term Loans:

#### From Kotak Mahindra Bank Limited

**Balance outstanding ₹ 90.42 million (For March 31, 2019 ₹ 154.21 million)**

Above loan is secured against (i) First pari-passu charge on all existing and future moveable fixed assets excluding vehicle specifically financed by other lenders of the borrowers, (ii) Equitable mortgage charge over two properties, including land and building belonging to the borrowers situated at C140, Focal point, Ludhiana and plot no. D 126A, focal point Ludhiana, (iii) Equitable mortgage charge over residential flat belonging to Pamela Soni (Relative of KMP) & Gurdeep Soni (KMP) Situated at central park, Gurgaon and (iv) Personal guarantees of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

Moratorium of 6 months from the date of drawdown and repayable in 36 equal monthly installments along with fixed interest @ 4.00% ~ 5.00% p.a. on outstanding USD notional, monthly.

### 13.2 Rupee Term Loans:

#### From Kotak Mahindra Bank Limited

**Balance outstanding ₹ 115.47 million (For March 31, 2019 ₹ 150.00 million)**

Above loan is secured against (i) First pari-passu charge on all existing and future moveable fixed assets excluding vehicle specifically financed by other lenders of the borrowers, (ii) Equitable mortgage charge over two properties, including land and building belonging to the borrowers situated at C140, Focal point, Ludhiana and plot no. D 126A, focal point Ludhiana, (iii) Equitable mortgage charge over residential flat belonging to Pamela Soni (Relative of KMP) & Gurdeep Soni (KMP) Situated at central park, Gurgaon and (iv) Personal guarantees of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

Moratorium of 6 months from the date of drawdown and repayable in 54 equal monthly instalments along with fixed interest @ 8.00% ~ 9.50% p.a. on outstanding monthly balance.

#### From Citibank N.A.

**Balance outstanding ₹ 133.33 million (For March 31, 2019 ₹ 200.00 million)**

Above loan is secured against (i) exclusive charge on the moveable fixed assets funded from the term loan. (ii) plant and machinery and corporate guarantee of Gripwel Fasteners Pvt. Ltd.

Moratorium of 12 months from the date of drawdown and repayable in 48 equal monthly instalments along with fixed interest @ 7.00% ~ 9.13% p.a. on outstanding monthly balance.

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### From Kotak Mahindra Prime Limited

Balance outstanding ₹ Nil (For March 31, 2019 ₹ 0.36 million)

Above loan is secured against hypothecation of Cars, repayable within 5 years from the date of sanction and carries rate of Interest @ 9.9% p.a.

### 13.3 Working capital loans

Above loan is secured against (i) First pari passu charge on all existing and future current assets and moveable fixed assets, (ii) Equitable mortgage by way of first pari passu charge over the land and building situated at B208, A1&2, Phase II, Noida, UP and (iii) Personal guarantees/securities of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

#### Rate of Interest

# Ranges from LIBOR+100 bps to 175 bps

## Ranges from 5.00% to 9.50%

### 14.4 Bill discounting with banks

Bill discounting (unsecured) with bank is repayable within 120 days and it carries interest @ 9.00% to 9.50%

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>14. OTHER FINANCIAL LIABILITIES</b>		
<b>Non-current</b>		
Lease liabilities	83.18	-
<b>Total</b>	<b>83.18</b>	<b>-</b>
<b>Current</b>		
Current maturities of long term loans	164.92	128.75
Lease liabilities	32.09	-
<b>Total</b>	<b>197.01</b>	<b>128.75</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>15. PROVISIONS</b>		
<b>Non-current</b>		
Provision for gratuity [Refer Note 32]	90.28	84.82
Provision for leave entitlement [Refer Note 32]	17.06	18.23
<b>Total</b>	<b>107.34</b>	<b>103.05</b>
<b>Current</b>		
Provision for gratuity [Refer Note 32]	29.25	32.84
Provision for leave entitlement [Refer Note 32]	5.15	4.14
<b>Total</b>	<b>34.40</b>	<b>36.98</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>16. DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax assets	71.57	58.67
Deferred tax liabilities	165.87	206.81
<b>Total</b>	<b>94.30</b>	<b>148.14</b>

	As at 31st March 2019	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	Impact on account of INDAS116	As at 31st March 2020
Deferred tax assets					
Expenses deductible in future years	58.67	(14.17)	(1.94)	0.00	42.56
Lease Liabilities	0.00	(21.65)	0.00	50.66	29.01
	58.67	(35.82)	(1.94)	50.66	71.57
Deferred tax liabilities					
Property, Plant and Equipment and Intangible Assets	201.67	(74.16)	0.00	46.81	174.32
Fair valuation of Cash Flow Hedges	5.14	(1.44)	(12.15)	0.00	(8.45)
	206.81	(75.60)	(12.15)	46.81	165.87
<b>Total</b>	<b>148.14</b>	<b>(39.78)</b>	<b>(10.21)</b>	<b>(3.85)</b>	<b>94.30</b>

	As at 31st March 2018	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	As at 31st March 2019
Deferred tax assets				
Expenses deductible in future years	49.18	6.98	2.51	58.67
	49.18	6.98	2.51	58.67
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	181.59	20.08	0.00	201.67
Fair valuation of cash flow hedges	0.74	(0.74)	5.14	5.14
	182.33	19.34	5.14	206.81
<b>Total</b>	<b>133.15</b>	<b>12.36</b>	<b>2.63</b>	<b>148.14</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>17. OTHER LIABILITIES</b>		
<b>Non-current</b>		
Deferred government grant [Refer Note 17.1]	3.28	3.68
<b>Total</b>	<b>3.28</b>	<b>3.68</b>
<b>Current</b>		
Trade deposits and advances [Refer Note 17.2]	0.68	0.91
Provision for expenses	29.43	33.76
Employee benefits payable	72.16	98.26
Temporary overdraft from banks	-	16.21
Statutory dues payable	17.59	18.14
Advance received from Insurance Co. [Refer Note 43]	2.05	-
Deferred government grant [Refer Note 17.1]	0.26	0.26
<b>Total</b>	<b>122.17</b>	<b>167.54</b>

17.1 Government grants include grants and subsidies for investments in fixed assets. There are no unfulfilled conditions or contingencies attached to these grants.

17.2 Recognised as revenue upon satisfaction of performance obligation in immediate next reporting period.

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>18. TRADE PAYABLES DUE TO</b>		
Micro and small enterprise [Refer Note 35]	136.83	102.97
Other than micro and small enterprise	222.23	363.30
<b>Total</b>	<b>359.06</b>	<b>466.27</b>

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial liabilities carried at amortised cost</b>		
Non-current borrowings [Refer Note 13]	174.31	375.20
Current borrowings [Refer Note 13]	1,389.00	1,719.24
Other financial liabilities [Refer Note 14]	280.19	128.75
Trade payables [Refer Note 18]	359.06	466.26
<b>Total</b>	<b>2,202.56</b>	<b>2,689.45</b>

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial liability carried at fair value through OCI</b>		
Derivative Instruments	33.57	-
<b>Total</b>	<b>33.57</b>	<b>-</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particular	Year ended 31st March 2020	Year ended 31st March 2019
<b>19 REVENUE FROM OPERATIONS</b>		
<b>Sale of products</b>		
Finished goods (Net of returns, rebate etc.) [Refer Note 34]	5,094.58	6,190.89
Scrap	137.10	181.51
<b>Sale of services</b>		
Sale of services	17.36	-
Job work receipts	0.84	1.51
	5,249.88	6,373.91
Other operating revenues		
Export incentives	128.34	156.17
Amortisation of deferred govt grants	0.40	0.01
	128.74	156.18
<b>Total</b>	<b>5,378.62</b>	<b>6,530.09</b>

20.1 Consequent to introduction of Goods and Service Tax ("GST") with effect from 1 July 2017, Central Excise and Value Added Tax have been subsumed into GST. In accordance with Ind AS 18, GST is not considered a part of revenue unlike excise duties which used to be included in revenue in period before 1 July 2017.

(INR in millions)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
<b>20 OTHER INCOME</b>		
Interest Income		
Interest	12.02	3.88
<b>From non current investments:</b>		
Dividend income from subsidiaries	51.84	37.44
Others		
Lease receipts	2.50	5.96
Miscellaneous receipts	6.66	15.70
<b>Total</b>	<b>73.02</b>	<b>62.98</b>



## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>21 COST OF MATERIALS CONSUMED</b>		
Inventories at the beginning of the year	261.24	202.58
Add: Purchases	2,178.85	3,056.89
Less: Inventories at the end of the year	231.51	261.24
<b>Cost of materials consumed</b>	<b>2,208.58</b>	<b>2,998.23</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP</b>		
(Increase)/decrease in stocks:		
Inventories at the end of the year		
Finished goods	327.73	325.84
Work-in-progress	565.20	682.88
Scrap	5.72	6.82
	898.65	1,015.54
Inventories at the beginning of the year		
Finished goods	325.84	227.64
Work-in-progress	682.88	618.00
Scrap	6.82	5.86
	1,015.54	851.50
<b>Total</b>	<b>116.89</b>	<b>(164.04)</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages [Refer Note 32]	967.97	977.01
Contribution to provident and other funds	41.89	41.95
Expense on employee stock option scheme [Refer Note 33]	2.54	1.99
Staff welfare expenses	48.96	56.89
<b>Total</b>	<b>1,061.36</b>	<b>1,077.84</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>24 FINANCE COSTS</b>		
Interest	87.90	96.97
Bill discounting charges	14.82	12.59
Interest on lease liabilities	5.73	-
Other borrowing costs:		
Bank charges	4.62	5.75
<b>Total</b>	<b>113.07</b>	<b>115.31</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>25 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation of tangible assets [Refer Note 3]	200.73	180.70
Depreciation of right-of-use assets [Refer Note 3]	39.25	-
Amortization of intangible assets [Refer Note 3]	7.41	6.04
<b>Total</b>	<b>247.39</b>	<b>186.74</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>26 OTHER EXPENSES</b>		
Stores, spares and tools consumed	405.24	504.38
Sub-contracting expenses	247.23	326.27
Power, fuel and water	285.40	314.05
Cartage, freight and forwarding	289.51	342.53
Air freight	22.35	183.66
Rent	5.90	42.11
Rates and taxes	11.05	25.76
Travelling and conveyance	35.81	35.80
Communication	8.68	10.03
Printing and stationery	5.34	8.16
Insurance	7.07	7.10
<b>Repairs and maintenance:</b>		
Building	27.18	27.56
Plant and machinery	74.23	81.40
Others	62.89	60.76
Office maintenance	15.66	14.57
Vehicle repairs and maintenance	3.98	4.67
Advertisement, publicity and sales promotion	3.50	4.59
Commission and discount	-	3.32
Legal and professional charges	21.56	17.51
Directors sitting fees	0.42	1.23
Director commission	0.30	0.60
Payment to auditors [Refer Note 26.1]	3.02	4.37
Exchange differences (net)	(3.71)	33.17
Bad debts	1.98	7.55
Allowances for doubtful trade receivables (expected credit loss allowance) [Refer Note 8]	3.40	-
Staff recruitments	1.42	5.14
Loss on sale of fixed assets (net)	1.67	4.53
Contribution towards CSR [Refer Note 36]	4.80	5.50
Fixed assets written-off	0.73	3.97
Miscellaneous	2.63	2.58
<b>Total</b>	<b>1,549.24</b>	<b>2,082.87</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 26.1 Payment to Auditors

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<i>As Auditors:</i>		
Audit fees	2.00	3.70
Out of pocket expenses	1.02	0.67
<b>Total</b>	<b>3.02</b>	<b>4.37</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>27 TAX EXPENSES</b>		
Current tax	18.97	54.28
MAT	19.06	(4.60)
Deferred tax	(39.78)	12.36
Tax for earlier years (Net)	(0.81)	(0.35)
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>(2.56)</b>	<b>61.69</b>

### Reconciliation of tax expenses and the accounting profit multiplied by the applicable tax rate

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Accounting profit before tax from operations	155.05	296.13
Applicable Tax Rate	34.9440%	34.9440%
Income tax expense calculated at applicable tax rate	54.18	103.48
<b>Items giving rise to difference in tax</b>		
Exemption/Deduction u/s 10 & u/s 115-O	(18.11)	(37.54)
Deductions u/s 80	(0.86)	(1.15)
Expenses disallowed	1.89	(12.88)
OCI Adjustments	-	(2.23)
MAT	0.93	4.60
<b>Current Tax Provision</b>	<b>38.03</b>	<b>54.28</b>
Deferred tax liability on account of timing difference	(75.60)	19.34
Deferred tax assets on account of timing difference	(35.81)	6.98
<b>Deferred Tax Provision</b>	<b>(39.79)</b>	<b>12.36</b>
Tax for earlier years (Net)	(0.81)	-
Total tax expenses recognised	<b>(2.57)</b>	<b>66.64</b>
Effective tax rate	-1.66%	22.50%

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 28 Basic (In ₹)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity share holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Computation of Profit (Numerator)		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	158	234
Computation of Weighted Average Number of Shares (Denominator)		
Adjusted Weighted Average number of Equity Shares for calculating Diluted EPS	45.13	45.13
Less: Shares Issued to Uniparts ESOP Trust	1.03	1.03
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44.10	44.10
Computation of EPS - Basic (in INR)	3.57	5.32
Computation of EPS - Diluted (in INR)	3.49	5.19

### 29 Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Year ended 31st March 2020	(INR in millions)			
	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans		7.56	(1.94)	5.62
Effective portion of cash flow hedge	(48.27)		12.15	(36.12)
<b>Total</b>	<b>(48.27)</b>	<b>7.56</b>	<b>10.21</b>	<b>(30.50)</b>

Year ended 31st March 2019	(INR in millions)			
	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans		(7.17)	2.51	(4.66)
Effective portion of cash flow hedge	14.70	0.00	(5.14)	9.56
<b>Total</b>	<b>14.70</b>	<b>(7.17)</b>	<b>(2.63)</b>	<b>4.90</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>30 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):</b>		
(i) <b>Contingent liabilities:</b>		
(a) <b>Claims against the company not acknowledged as debt:</b>		
Sales Tax Matters	12.88	2.15
Service Tax Matters	-	0.23
Excise Matters	0.21	0.21
Custom Matters	1.60	1.60
GST Matters	0.36	-
Labour Matters	Not Ascertainable	Not Ascertainable
(b) <b>Income Tax Demands</b>	44.40	9.72
(c) <b>Others</b>		
<b>a) Guarantees given on behalf of the company by the Banks:</b>		
Sales Tax Matters	0.03	0.03
Pollution Control Board	0.05	-
Excise Matters	0.50	0.50
Custom Matters	0.06	-
Gas Connections	2.68	2.68
<b>b) Other money for which the company is contingently liable:</b>		
Corporate Guarantee given to Banks against financial assistance to subsidiary	225.00	225.00
Excise Duty outstanding against exports made under Bond	-	-
Excise Duty outstanding against exports made under Declaration/Undertaking	-	-
Bond cum Legal Undertaking to Andhra Pradesh Special Economic Zone	-	2,000.48
(ii) <b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	14.51	63.89

### 31 LEASE

- (i) Effective 01 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings as on the date of initial application. Accordingly, the Company is not required to restate the comparative information.

On 01 April 2019, the Company has recognised a lease liability measured at the present value of the remaining lease payments and Right-of-Use (ROU) assets at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at 01 April 2019. This has resulted in recognizing a "Right of use assets" of ₹ 133.96 million and a corresponding "Lease liability" of ₹ 144.97 million by adjusting retained earnings net of taxes of ₹ 7.16 million as on 01 April 2019.

Consequently, in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from "Rent" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result, the "Rent", "Depreciation and amortisation expense" and "Finance cost" of the current period is not comparable to the earlier periods.

To the extent the performance of the current period is not comparable with previous year, the reconciliation of above effect on standalone statement of profit and loss for the year ended 31 March 2020 is as under:

Adjustment to increase/(decrease) in net profit	Year ended 31st March 2020 comparable basis	Changes due to IndAS 116	Year ended 31st March 2020 as reported
Rent	43.23	(37.33)	5.90
Depreciation and amortization expenses	214.71	32.68	247.39
Finance Cost	107.34	5.73	113.07
<b>Profit before tax</b>	<b>156.20</b>	<b>(1.09)</b>	<b>155.11</b>
Less: Tax expense	(2.18)	0.38	(2.56)
<b>Profit after tax</b>	<b>158.38</b>	<b>(0.71)</b>	<b>157.67</b>

(ii) The following is the break-up of current and non-current lease liabilities:

Particular	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
Current lease liabilities	32.09	-
Non-current lease liabilities	83.19	-
<b>Total</b>	<b>115.28</b>	<b>-</b>

(iii) Lease commitments are the undiscounted future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases with term less than twelve months and leases of low value assets.

Particular	(INR in millions)
	As at 31st March 2020
Payable within one year	32.09
Payable between one to five years	72.15
Payable after five years	11.04
<b>Total</b>	<b>115.28</b>

## Notes



Uniparts India Limited

to the Standalone Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 32 DISCLOSURE ON EMPLOYEE BENEFITS

Disclosure is hereby given in pursuant to Ind AS19 "Employee Benefits".

#### Defined Benefit Plan - Gratuity (Funded)

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particular	Year ended 31st March 2020	Year ended 31st March 2019
Expected Rate of Return on Plan Assets	6.59%	7.48%
Discounting Rate	6.59%	7.48%
Salary Escalation rate- Staff	7.94%	7.00%
Salary Escalation rate- Worker	6.00%	8.00%
Rate of Employee Turnover- Staff	20.00%	11.40%
Rate of Employee Turnover- Worker	8.00%	10.20%
Mortality Rate During Employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality Rate After Employment	N.A.	N.A.

Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Present value of obligation as at the beginning of the year	137.11	114.38
Interest cost	10.26	8.78
Current service cost	14.43	12.26
Past Service Cost	0.00	0.00
Liability Transferred In/ Acquisitions	0.00	0.00
(Liability Transferred Out/ Divestments)	0.00	(0.07)
(Benefit Paid Directly by the Employer)	(13.80)	(5.61)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumption	0.77	(2.01)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.87)	5.43
Actuarial (Gains)/Losses on Obligations - Due to Experience	(7.86)	3.94
<b>Present Value of Benefit Obligation at the End of the year</b>	<b>140.04</b>	<b>137.11</b>

Changes in the fair value of plan assets recognised in the balance sheet are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening fair value of plan assets	19.45	17.88
Interest Income	1.46	1.37
Contributions	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognized in Interest Income -Gain / (Loss)	(0.39)	0.20
<b>Closing fair value of plan assets</b>	<b>20.52</b>	<b>19.45</b>

The amounts to be recognised in the Balance Sheet

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Present value of obligation as at the end of the year	(140.04)	(137.11)
Fair value of plan assets as at the end of the year	20.51	19.45
Funded Status (Surplus/ (Deficit))	(119.53)	(117.66)
<b>Net asset / (liability) to be recognised in balance sheet</b>	<b>(119.53)</b>	<b>(117.66)</b>

Net Interest cost (Income/Expense)

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Present Value of Benefit Obligation at the Beginning of the year	137.11	114.38
(Fair Value of Plan Assets at the Beginning of the year)	(19.45)	(17.88)
Net Liability/(Asset) at the Beginning	117.66	96.50
Interest Cost	10.26	8.78
(Interest Income)	(1.46)	(1.37)
<b>Net Interest Cost for Current year</b>	<b>8.80</b>	<b>7.41</b>

Expense recognised in the statement of profit and loss

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Current service cost	14.43	12.26
Net Interest (Income) / Expense	8.80	7.41
Past Service Cost	-	-
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>23.23</b>	<b>19.67</b>

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Actuarial (Gains)/Losses on Obligation For the year	(7.96)	7.37
Return on Plan Assets, Excluding Interest Income	0.39	(0.20)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>(7.57)</b>	<b>7.17</b>

Reconciliation of net Liability/(Asset) recognised:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening Net Liability	117.66	96.49
Expenses Recognized in Statement of Profit or Loss	23.24	19.67
Expenses Recognized in OCI	(7.56)	7.18
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	(0.07)
(Benefit Paid Directly by the Employer)	(13.80)	(5.61)
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) For the year Recognized in Balance Sheet</b>	<b>119.54</b>	<b>117.66</b>

The major categories of plan assets are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Insurance fund	20.51	19.45

Other Details

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
No of Active Members	1,939	2,177
Per Month Salary For Active Members	29.25	32.84
Weighted Average Duration of the Projected Benefit Obligation	7	8
Average Expected Future Service	7	7
Projected Benefit Obligation (PBO)	140.04	137.11
Prescribed Contribution For Next Year (12 Months)	29.25	32.84



#### Maturity Analysis of Projected Benefit Obligation: From the Fund

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	20.39	14.98
2nd Following Year	18.66	14.48
3rd Following Year	16.48	15.08
4th Following Year	15.77	14.23
5th Following Year	13.73	15.22
Sum of Years 6 To 10	54.21	60.86

#### Maturity Analysis of Projected Benefit Obligation: From the Employer

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	-	-
2nd Following Year	-	-
3rd Following Year	-	-
4th Following Year	-	-
5th Following Year	-	-
Sum of Years 6 To 10	-	-

#### Sensitivity analysis

##### A) Impact of change in discount rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	7.70	8.68
Increase by 1%	(6.89)	(7.74)
	0.81	0.94

##### B) Impact of change in salary increase rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	(6.76)	(7.53)
Increase by 1%	7.39	8.24
	0.63	0.71

##### C) Impact of change in withdrawal rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	0.10	0.13
Increase by 1%	(0.11)	(0.13)
	(0.01)	0.00

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Since investment is with insurance company, Assets are considered to be secured.

The following are the expected Interest cost for Next year:

Particular	(INR in millions)	
	Current Period	Previous Period
Present Value of Benefit Obligation at the End of the year	140.04	137.11
(Fair Value of Plan Assets at the End of the year)	(20.51)	(19.45)
Net Liability/(Asset) at the End of the year	119.53	117.66
Interest Cost	9.23	10.26
(Interest Income)	(1.35)	(1.46)
Net Interest Cost for Next Year	7.88	8.80

The following are the expected expenses to be recognised in the Statement of Profit or Loss for Next Year:

Particular	(INR in millions)	
	Current Period	Previous Period
Current Service Cost	12.57	14.43
Net Interest Cost	7.88	8.80
(Expected Contributions by the Employees)	-	-
Expenses Recognized	20.45	23.23

#### Defined Benefit Plan - Leave Encashment (Unfunded)

The leave obligations cover the Company's liability for sick and earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount for the year ended March 31, 2020 is ₹ 7.88 million and for the year ended March 31, 2019 is ₹ 10.51 million has been recognised in the statement of profit and loss.

Particulars	(INR in millions)			
	Current Period		Previous Period	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	5.15	17.06	4.14	18.23
<b>Total</b>	<b>5.15</b>	<b>17.06</b>	<b>4.14</b>	<b>18.23</b>

## Notes



Uniparts India Limited

to the Standalone Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 33 DISCLOSURE ON EMPLOYEE SHARE BASED PAYMENT

Disclosure is hereby given in pursuant to Ind AS 102 "Share Based Payment".

#### (a) Scheme detail

The Company's ESOP scheme "Uniparts Employees Stock Option Plan, 2007" is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees. The scheme provides that subject to continued employment with the Company, specified employees of the Company and its subsidiaries are granted an option to acquire equity shares of the Company that may be exercised within a specified period. Each option comprises of one equity share which will vest on annual basis in equal proportion over a period of three years (except Grant-11 which shall vest 100% on the expiry of 12 months from the grant date) and shall be capable of being exercised within a period of fifteen years from the date of the specified grant. Each option granted under the above plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee. The Company has provided an interest free loan amounting to ₹ 55.20 million to the Trust to subscribe to 350400 Shares issued at ₹ 135 per share and right issue of 175200 Shares at ₹ 45 per share. The ESOP Trust has since subscribed to the Company's shares. As per IND AS 102 "Share-based Payment" and the Guidance Note on Accounting for Employee Share Based payments issued by the Institute of Chartered Accountants of India, the amount of loan equivalent to the face value of securities subscribed ₹ 5.14 million has been deducted from share capital account and the balance part of the loan representing the amount of share premium paid for the shares subscribed ₹ 50.06 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2020 is ₹ 97.18 million. The repayment of loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options. The Company believes that the options would be exercised by the employees and the ESOP Trust would be able to repay the loan based on the price received by the Trust there against. On that basis, the loan to the ESOP Trust is considered good of recovery.

As per the Scheme, the Company has granted 1,14,833 options @ ₹ 135/- per option (Grant - 1), 42,764 options @ ₹ 135/- per option (Grant - 2), 25,000 options @ ₹ 135/- per option (Grant - 3), 86,592 Right Issue @ ₹ 45/- per share, 28,912 options @ ₹ 105/- per option (Grant - 4), 26,209 options @ ₹ 105/- per option (Grant - 5), 28,825 options @ ₹ 105/- per option (Grant - 6), 11,255 options @ ₹ 105/- per option (Grant - 7), 5,000 options @ ₹ 105/- per option (Grant - 8), 21,465 options @ ₹ 105/- per option (Grant - 9), 324,637 Bonus Issue @ ₹ Nil per share, 35,102 options @ ₹ 52.50 per option (Grant - 10), 52,948 options @ ₹ 52.50 per option (Grant - 11), 292,500 options @ ₹ 52.50 per option (Grant - 12) and 25,000 options @ ₹ 52.50 per option (Grant - 13) in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, to the selected employees of the Company. The method of settlement is by issue of equity shares to the selected employees who have accepted the option.

Period within which options will vest to the participants

Grant-1 to Grant-10 and Grant-12 and Grant-13

2 years from the date of Grant of Options 33%

3 years from the date of Grant of Options 33%

4 years from the date of Grant of Options 34%

Grant-11

12 months from the date of Grant of Options 100

#### (b) Share Based Payment activity under Scheme 2007 is as follows

Particular	Year ended 31st March 2020	Year ended 31st March 2019
Outstanding at the beginning of the year	936,488	643,988
Bonus Issue during the year	-	-
Granted during the year	25,000	292,500
Forfeited/Surrendered during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	961,488	936,488
Vested and Exercisable at the end of the year	643,988	643,988

(c) Share options outstanding at the end of the year

Option Details		Options Outstanding		Remaining contractual life		Exercise price	Weighted average fair value of Options on the date of Grant
Option series	Option Grant date	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019		
Grant-1	08-02-07	89,754	89,754	-	-	135.00	96.45
Grant-2	27-03-08	20,357	20,357	-	-	135.00	114.02
Grant-3	27-03-09	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25-03-11	22,785	22,785	-	-	105.00	56.69
Grant-5	03-03-12	11,268	11,268	-	-	105.00	77.63
Grant-6	12-01-13	22,535	22,535	-	-	105.00	67.19
Grant-7	25-09-13	-	-	-	-	105.00	41.10
Grant-8	23-12-13	5,000	5,000	-	-	105.00	47.08
Grant-9	15-02-14	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	285,720	285,720	-	-	-	-
Grant-10	23-08-14	19,600	19,600	-	-	52.50	32.50
Grant-11	30-06-15	52,948	52,948	-	-	52.50	38.26
Grant-12	23-11-18	292,500	292,500	2.65	3.65	52.50	53.34
Grant-13	07-08-19	25,000	-	3.33	-	52.50	43.84
		<b>961,488</b>	<b>936,488</b>				

The Company follows the Fair Market Value calculated on Black Scholes Method to account for compensation expenses arising from issuance of stock options to the employees.

(d) Inputs in the model

Option series	Grant 13	Grant 12
Grant date share price	79.11	84.91
Exercise price	52.50	52.50
Expected volatility	14.74%	14.83%
Option Life	8.50	8.00
Dividend yield	0.93%	0.68%
Risk-free interest rate	6.73%	7.92%

(e) Compensation expenses arising on account of the share based payments

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Expenses arising from equity – settled share-based payment transactions	2.54	1.99

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 34 SEGMENT INFORMATION

The Company operates primarily in the business of manufacturing of Linkage Parts and Components for Off-Highway Vehicles.

Chief Operating Decision Maker (CODM), evaluates the company's performance, based on the analysis of the various performance indicators of the company, the Chief Operating Decision Maker (CODM) has decided that there is no reportable segment for the Company.

#### Revenue information based on location of the customers

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>Information in respect of geographical areas</b>		
Segment revenue from external customers :		
Within India	1,881.24	2,305.19
Outside India (Excluding deemed export)	3,368.64	4,068.72
	5,249.88	6,373.91

The company disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The following table illustrates the disaggregation disclosure by primary geographical market, major product line and timing of revenue recognition in accordance with Ind AS 115.

#### Primary geographical markets

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
USA	1,668.70	2,164.16
Asia Pacific	163.37	219.64
Europe	992.24	1,022.48
India	1,743.30	2,122.17
Japan	420.58	484.79
Rest of the World	106.38	177.65
	5,094.58	6,190.89
Sale of Scrap	137.10	181.51
Sale of Service	17.36	-
Job Work Receipts	0.84	1.51
<b>Total Revenue</b>	<b>5,249.88</b>	<b>6,373.91</b>

#### Major Product line

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
3PL	3,255.78	4,092.05
FAB	57.16	32.40
HYD	16.13	31.62
PMP	1,664.79	1,870.21
PTO	78.40	126.54
Others	22.32	38.07
	5,094.58	6,190.89
Sale of Scrap	137.10	181.51
Sale of Service	17.36	-
Job Work Receipts	0.84	1.51
<b>Total Revenue</b>	<b>5,249.88</b>	<b>6,373.91</b>

## Notes

to the Standalone Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 35 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED, ACT 2006)

The Ministry of Corporate Affairs has issued notification no.G.S.R 1022(E) dated October 11, 2018 which prescribes certain disclosures regarding amount payable to micro enterprises and small enterprises. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received from the vendors. The necessary information in this regard has been given hereunder :-

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
Principal	136.83	102.97
Interest	0.33	0.16
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the said Act	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.33	0.16
(v) 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.	0.03	-

### 36 CSR EXPENDITURE

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The Company has spent the funds allocated for CSR activities primarily on promoting health aid program (education) projects which are specified in Schedule VII of the Companies Act, 2013 as follows:

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
a) Gross amount required to be spent by the Company during the year	4.65	5.34

#### b) Amount spent during the year ending on

Particulars	(INR in millions)		
	In cash	Yet to be paid in cash	Total
- March 31, 2020			
Construction/acquisition	-	-	-
On purposes other than above	4.80	-	4.80
- March 31, 2019			
Construction/acquisition	-	-	-
On purposes other than above	5.50	-	5.50

### 37 GOVERNMENT GRANT

Uniparts India Limited has availed tax and duty benefit in the nature of exemption from payment of Customs Duty, on its procurements with respect to Plant and Machinery. The said benefits were availed which entitled Uniparts India Limited to procure goods without payment of taxes and duties of amount for INR 3.95 million under Zero Duty EPCG Scheme.

In accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance" Uniparts India Limited has grossed up the value of property, plant and equipment by the amount of tax and duty benefit availed considering the same as government grant. The amount of said government grant has been added to the value of property, plant and equipment with corresponding credit to deferred government grant, the amount of grant shall be amortized on a systematic basis in line with depreciation to be charged on property, plant and equipment.

Deferred government grant is disclosed in the financial statements as follows :

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening Balance	3.95	3.95
Grant recognized during the year	-	156.17
Less : Amount recognized in statement of profit and loss*	(0.40)	(156.17)
Closing Balance	3.55	3.95
Non-current portion	3.28	3.68
Current portion	0.26	0.26

\* There is no unfulfilled condition or contingencies attached to these grants.

## Notes



Uniparts India Limited

to the Standalone Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 38 RELATED PARTY DISCLOSURE

(i) Name of the related parties, related party relationship and related party with whom transactions have been taken place during the year.

#### (A) Related parties where control exists

##### (a) Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	100.00	100.00
Gripwel Fasteners Private Limited	India	100.00	100.00
Uniparts India GmbH	Germany	100.00	100.00

##### (b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts Olsen Inc.	USA	100.00	100.00

#### (B) Enterprises over which Key Managerial Personnel and their relatives exercise significant influence:

SKG Engineering Pvt. Ltd.  
Sweaty Spirit Apparel Limited (Formerly known as Ace Tractor Parts Ltd.)  
Avid Maintenance LLP (Formerly known as Avid Maintenance Pvt. Ltd.)  
SGA Trading Pvt. Ltd.  
Tima Trading Pvt. Ltd.  
Amazing Estates Pvt. Ltd.  
Vivify Net Pvt. Ltd.  
GKP Farms Pvt. Ltd.  
Silveroak Estate Pvt. Ltd.  
Uniparts Engineering Pvt. Ltd.  
Charisma Homes LLP (Formerly known as Charisma Homes Pvt. Ltd.)  
Bluebells Homes Pvt. Ltd. (Formerly known as Oilintec Pvt. Ltd.)  
Gripwel Fasteners (Partnership Firm)  
Farmparts Company (Partnership Firm)  
Soni Holdings (Partnership Firm)  
Soni Foundation  
Ninety Hospitality LLP  
Sepoy Beverages LLP  
P Soni Family Trust  
Indento International (Partnership Firm)  
Paramjit Singh (HUF)  
Gurdeep Soni (HUF)  
Beekay Travels Pvt. Ltd.  
Paper Bag Entertainment Inc.  
Diamante (Partnership Firm)  
Leon India (Partnership Firm)



**(C) Key Managerial Personnel / Individuals having significant influence on the Company:**

Gurdeep Soni-Chairman & Managing Director  
Paramjit Singh Soni- Vice Chairman & Director  
Madhukar Rangnath Umarji- Independent Director  
Sharat Krishan Mathur- Independent Director  
Alok Nagory- Independent Director  
Shradha Suri- Independent Director  
Sanjiv Kashyap - Chief Financial Officer (till: 27th May 2019)  
Munish Sapra- Chief Financial Officer  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Mukesh Kumar - Company Secretary

**(D) Relatives of Key Managerial Personnel \***

Angad Soni - Son of Gurdeep Soni  
Pamela Soni - Wife of Gurdeep Soni  
Karan Soni - Son of Paramjit Singh Soni  
Meher Soni - Daughter of Paramjit Singh Soni  
Arjun Soni - Son of Gurdeep Soni

\*Relatives of Key Managerial Personnel with whom transactions have taken place during the year

(ii) The Key Managerial Personnel, their Relatives and Associates have given certain personal guarantees and collaterals for the loans/other credit facilities taken by the Company from various banks/financial institutions:

S No	Name of Bank	As at 31st March 2020	As at 31st March 2019	Personal Guarantee	Collateral Security
1	CitiBank NA	700.00	700.00	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	
2	Kotak Mahindra Bank Limited	561.30	698.50	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	Mortgage by way of first pari-passu charge on the Apartment # K-0401, 4th Floor, Tower K, Phase IV, Central Park-1, Gurgaon, owned by the Mr. Gurdeep Soni (KMP) and Mrs. Pamela Soni (Relative of KMP).
3	IndusInd Bank	-	168.80	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	Exclusive charge on the Apartment # K-0401, 4th Floor, Tower K, Phase IV, Central Park-1, Gurgaon, owned by the Mr. Gurdeep Soni (KMP) and Mrs. Pamela Soni (Relative of KMP).
4	DBS Bank	400.00	400.00	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	

## (iii) Outstanding balances

(INR in millions)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>1 Gripwel Fasteners Pvt. Ltd.</b>		
-In Trade Account	10.73	75.59
-In Equity Shares	49.87	49.87
<b>2 Uniparts USA Limited</b>		
-In Trade Account	100.09	50.38
-In Common Stock	0.87	0.87
-In Preferred Stock	392.67	392.67
<b>3 Uniparts Europe B.V.</b>		
-In Equity Shares	71.06	71.06
<b>4 Uniparts India GmbH</b>		
-In Trade Account	171.25	137.48
-In Equity Shares	5.94	5.94
<b>5 Uniparts Olsen Inc.</b>		
-In Trade Account	82.57	110.46
<b>6 Uniparts ESOP Trust</b>		
-In Loan Account	98.28	97.18

## Disclosure in respect of Related Party Transactions during the year\*:

(INR in millions)

Particulars	Relationship	Year ended 31st March 2020	Year ended 31st March 2019
<b>1 Purchase of Goods/Samples/Packing and Services</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	17.24	12.73
Uniparts India GmbH	Subsidiary	18.41	22.13
		35.65	34.86
<b>2 Sale of Goods/Service</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	597.39	780.32
Uniparts India GmbH	Subsidiary	522.52	495.64
Uniparts Olsen Inc.	Step-Down Subsidiary	810.74	1,096.57
Uniparts USA Limited	Subsidiary	719.89	899.73
		2,650.54	3,272.26
<b>3 Sale of Fixed Asset</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	-	9.03
		-	9.03
<b>4 Job Work income</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.84	1.51
		0.84	1.51
<b>5 Rent Paid</b>			
Soni Holdings	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.84	0.94
		0.84	0.94

<b>6 Lease Rent on Machine Received</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.04	5.96
		0.04	5.96
<b>7 Current Account Receipts</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	6.69	12.45
		6.69	12.45
<b>8 Current Account Payments</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	6.69	12.45
		6.69	12.45
<b>9 Other Income</b>			
Uniparts Olsen Inc.	Step-Down Subsidiary	0.62	0.11
Uniparts USA Limited	Subsidiary	0.02	0.02
Uniparts India GmbH	Subsidiary	0.74	1.65
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.26	-
		1.64	1.78
<b>10 Guarantees and Collaterals Given</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	225.00	225.00
		225.00	225.00
<b>11 Guarantees and Collaterals Given</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	200.00	200.00
		200.00	200.00
<b>12 Sitting fees</b>			
Alok Nagory	Independent Director	0.05	0.20
Madhukar Rangnath Umarji	Independent Director	0.16	0.39
Sharat Krishan Mathur	Independent Director	0.16	0.49
Shradha Suri	Independent Director	0.05	0.15
		0.42	1.23
<b>13 Dividend Paid</b>			
Angad Soni	Relative of Key Managerial Personnel	0.06	0.05
Gurdeep Soni	Key Managerial Personnel	17.95	14.96
Pamela Soni	Relative of Key Managerial Personnel	2.38	1.98
Arjun Soni	Relative of Key Managerial Personnel	0.01	0.01
Paramjit Singh Soni	Key Managerial Personnel	1.20	6.60
Meher Soni	Relative of Key Managerial Personnel	1.80	5.20
Karan Soni	Relative of Key Managerial Personnel	1.44	5.20
		24.84	34.00
<b>14 Commission</b>			
Madhukar Rangnath Umarji	Independent Director	0.30	0.60
		0.30	0.60

<b>15 Dividend Income</b>			
Gripwel Fasteners Pvt. Ltd	Subsidiary	51.84	37.44
		51.84	37.44
<b>16 Salary and Allowances</b>			
Angad Soni	Relative of Key Managerial Personnel	-	2.16
		-	2.16
<b>17 Key Managerial Person Remuneration**</b>			
Sanjiv Kashyap	Chief Financial Officer	1.27	10.15
Sudhakar Simhachala Kolli	Group Chief Operating Officer	16.79	17.97
Mukesh Kumar	Company Secretary	6.06	5.42
Munish Sapra	Chief Financial Officer	10.29	2.43
		34.41	35.97
<b>18 ESOP Expenses to Key Managerial Person***</b>			
Mukesh Kumar	Company Secretary	0.10	0.03
Sudhakar Simhachala Kolli	Group Chief Operating Officer	1.91	0.67
		2.01	0.70

Notes:

\* The Company has international and specified domestic transactions with related parties. The management believes that it maintains documents as prescribed by the Income Tax Act, 1961 to prove that these transactions are at arm's length and the aforesaid legislation will not impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

\*\* Excludes contribution to employee retirement/post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis

\*\*\* Based on ESOP valuation on the date of grant, the fair value of grant is charged to statement of profit & loss on the basis of vesting period.

## Notes



Uniparts India Limited

to the Standalone Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 39 HEDGING ACTIVITIES AND DERIVATIVES

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts for the purpose of hedging its currency risks. These contracts are not intended for trading or speculation. The foreign exchange forward contracts are designated as cash flow hedges.

#### Cash flow hedges

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable.

While the Company also enters into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss. Notional amounts of outstanding forward contracts are as follows :

(INR in millions)

S No	Name of Bank	As at 31st March 2020		As at 31st March 2019			
		Foreign Currency	INR	Foreign Currency	INR		
1	Forward Contract	USD	Hedging of highly probable sales	13.90	1,032.59	7.10	512.87

The cash flow hedges of the expected future sales during the year ended March 31, 2020 were assessed to be effective and a net unrealised loss of ₹ 36.12 million, with a deferred tax assets of ₹ 12.15 million relating to the hedging instruments is included in OCI. Comparatively, the cash flow hedges of the expected future sales during the year ended March 31, 2019 were assessed to be highly effective and a net unrealised gain of ₹ 9.56 million, with a deferred tax liability of ₹ 5.14 million was included in OCI in respect of these contracts.

The amount removed from OCI during the year and recognised in the statement of profit & loss for the year ended March 31, 2020 is detailed in Note 28 totaling ₹ 95.64 million (net of tax) [March 31, 2019: ₹ 1.40 million (net of tax)]. The amounts retained in OCI at March 31, 2020 are expected to mature and affect the statement of profit and loss till year ended March 31, 2021.

Reclassifications to profit or loss during the year gains or losses included in OCI are shown in Note 29.

### 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities other than derivatives, comprise loans and borrowings, trade payables, employee related payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loan to employees, trade receivables & other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Audit committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Audit committee provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by experienced members from the senior management who have the relevant expertise, appropriate skills and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are subject to commodity price risk, foreign exchange risk and interest rate risk.

The financial instruments that are affected by these include loans and borrowing, deposits, available-for-sale investments and derivative financial instruments. We, from time to time, undertake analysis in relation to the amount of our net debt, the ratio of fixed to floating interest rates of our debt and our financial instruments that are in foreign currencies. We use derivative financial instruments such as foreign exchange contracts to manage our exposures to foreign exchange fluctuations.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The interest rate on remaining loans (except vehicle loans), although fixed, is subject to periodic review by lending banks / financial institutions in relation to their respective base lending rates, which may vary over a period result of any change in the monetary policy of the Reserve Bank of India.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>Variable rate borrowings</b>		
Long Term	-	-
Short Term	1,346.35	1,719.24
<b>Total Variable rate borrowings</b>	<b>1,346.35</b>	<b>1,719.24</b>
<b>Fixed rate borrowings</b>		
Long Term	381.88	503.95
Short Term	-	-
<b>Total fixed rate borrowings</b>	<b>381.88</b>	<b>503.95</b>
<b>Total</b>	<b>1,728.23</b>	<b>2,223.19</b>

\*Excluding Bills discounted with Bank

#### Interest rate sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on profit or loss before tax may be as follows:

Particular	(INR in millions)	
	Effect on profit and equity	
	Year ended 31st March 2020	Year ended 31st March 2019
Interest rate - increase by 100 basis points (100 bps)*	(13.46)	(17.19)
Interest rate - decrease by 100 basis points (100 bps)*	13.46	17.19

\* Holding all other variable constant

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

**c) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export revenue and long term foreign currency borrowings.

The Company have long term agreements with its major customers, the company face foreign exchange risk in respect of (i) our foreign currency loans, in respect of which selectively hedge currency exchange rate risk, (ii) currency mismatches between income and expenditures, which the company seek to manage as much as possible by matching income currency to expenditure currency, and (iii) currency translation for the purpose of preparing consolidated financial statements, on account of global operations.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particular	Currency	Description	(INR in millions)	
			Year ended 31st March 2020	Year ended 31st March 2019
a) Receivables	USD	Sale	2.25	-
	EUR	Sale	-	3.00
	JPY	Sale	13.23	22.42
	AUD	Sale	-	-
	GBP	Sale	-	-
b) Payables	USD	Purchase	0.01	-
	EUR	Purchase	0.01	0.02
c) Loans	USD	PCFC Loan/PSFC Loan	-	12.71
	EUR	PCFC Loan/PSFC Loan	10.74	-
	USD	FCTL Loan	1.20	2.23
d) Bank	USD	EEFC	-	-
e) Other Receivable	USD		0.02	0.02
	EUR		-	-
f) Other Payables	USD		-	0.01
	JPY		0.97	4.22

**Foreign currency sensitivity**

With respect to the above unhedged exposure the sensitivity is as follows:

Particular	(INR in millions)	
	Effect on profit and equity	
	Year ended 31st March 2020	Year ended 31st March 2019
INR/USD-Increase by 5%	4.02	(51.63)
INR/EUR-Increase by 5%	(44.64)	11.56
INR/JPY-Increase by 5%	0.42	0.57
INR/USD-Decrease by 5%	(4.02)	51.63
INR/EUR-Decrease by 5%	44.64	(11.56)
INR/JPY-Decrease by 5%	(0.42)	(0.57)

#### d) Commodity price risk

Commodity price risk is the possibility of impact from changes in the prices of raw materials such as steel, which we use in the manufacture of our products. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times.

#### Commodity price sensitivity

As the Company has a back to back pass through arrangements for volatility in raw material prices there is no impact on the profit and loss and equity of the Company.

#### e) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, other receivables and deposits, foreign exchange transactions and other financial instruments.

In relation to credit risk arising from financing activities, we monitor our credit spreads and financial strength on a regular basis, and based on our on-going assessment of counterparty risk, we adjust our exposure to various counterparties.

For the year ended March 31, 2020, and year ended March 31, 2019 our provision for doubtful debts is amounted to ₹34.00 million and ₹ Nil respectively.

#### f) 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 manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Total Committed working capital limits from Banks	1,725.00	1,725.00
Less: Utilized working capital limit	1,389.00	1,719.24
<b>Unutilized working capital limit</b>	<b>336.00</b>	<b>5.76</b>

#### g) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>1 Long Term Borrowings</b>		
Upto 1 year	164.92	128.75
Between 1 to 5 years	174.30	375.20
Over 5 years	-	-
<b>2 Short Term Borrowings</b>		
Upto 1 year	1,389.00	1,719.24
Between 1 to 5 years	-	-
Over 5 years	-	-



<b>3 Trade Payables</b>		
Upto 1 year	359.06	466.27
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>Total</b>	<b>2,087.28</b>	<b>2,689.46</b>

#### 41 Financial Instruments by category and Fair value hierarchy

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particular	Level of Input	Carrying amount		Fair value	
		As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
<b>Financial Assets</b>					
Loan to Employees		1.49	4.69	1.49	4.69
Security Deposits		44.18	45.28	44.18	45.28
Derivative instruments	Level 1	-	14.70	-	14.70
Trade Receivables		847.09	1,014.76	847.09	1,014.76
Cash & Bank Balances		47.65	102.89	47.65	102.89
Other Receivables		0.33	0.40	0.33	0.40
<b>Financial Liabilities</b>					
Borrowings		1,728.22	2,223.19	1,728.22	2,223.19
Trade Payables		359.06	466.27	359.06	466.27
Derivative instruments	Level 1	33.57	-	33.57	-

The management assessed that the fair value of cash and cash equivalent, trade receivables, derivative instruments, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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. The following methods and assumptions were used to estimate the fair values: .

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of other non-current financial liabilities and security deposits, is estimated by discounting future cash flows using 10 year government bond rates. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates.
- (iii) Further the management assessed that the fair value of loan to employees approximate their carrying amounts largely due to discounting at rates which are an approximation of current lending rates.
- (iv) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and forward rate curves of the underlying. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. As at March 31, 2020 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

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**Reconciliation of fair value measurement of financial assets classified as FVTOCI:**

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**(INR in millions)**

<b>Particular</b>	<b>Year ended 31st March 2020</b>	<b>Year ended 31st March 2019</b>
<b>Derivatives</b>		
Forward Currency Contract	-	14.70

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**42 Capital management**

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The capital includes issued equity capital and other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

**(INR in millions)**

<b>Particular</b>	<b>Year ended 31st March 2020</b>	<b>Year ended 31st March 2019</b>
Borrowings	1,728.22	2,223.19
Less: cash and other liquid assets	47.64	102.89
Net Debt	1,680.58	2,120.29
Equity	2,729.47	2,658.29
<b>Net Debt/Equity ratio</b>	<b>0.62</b>	<b>0.80</b>

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**43 Treatment in respect of Insurance, Fire and Other Claims**

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Receipts in respect of insurance, fire and other claims are recognized to the extent it has been approved by the insurance companies and it is reasonably certain that the ultimate collection will be made.

During the year under audit, incidents of fire had occurred in plants at Ludhiana and Vizag locations in India and suffered damages to the property, plant, stocks and equipments.

Insurance claims in respect of fire incidents taken place at plants of Ludhiana and Vizag are still under process and claims have not yet been finalized by the Insurance Companies till the reporting date. However, in case of fire at Ludhiana plant, the concerned insurance company has released the part payment of ₹ 2.10 million on ad hoc basis which has been reported under current liabilities as "Other Liabilities in Note 17" and the assets destroyed under fire have been written off. In addition, the Company is working with insurance companies on possible recoveries.

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**44 Fund raising expenses**

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Fund raising expenses as at March 31, 2020 and March 31, 2019, comprise of expenses incurred in connection with the proposed Funds raising exercise, including dilution and furtherance of business, being undertaken by the Company.

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#### **45 Impact of Covid-19 on financial statements**

In view of the pandemic relating to COVID - 19, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of investments, property plant and equipment, right-of-use assets, trade receivables, other current and financial assets, for any possible impact on the financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact the financial statements.

However, the actual impact of COVID - 19 on the financial statements may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

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**46** Previous Year figures have been re-grouped/ re-arranged/ re-classified wherever necessary to correspond with the current year's classification/ disclosure.

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As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants

Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)

Membership No. 088193

**Place : New Delhi**

**Date: 29 August 2020**

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Munish Sapra**

(Chief Financial Officer)

**Mukesh Kumar**

(Company Secretary)

[ACS: 17925]



**RAKESH BANWARI & CO.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**Uniparts India Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Uniparts India Limited (hereinafter referred to as "the Holding Company") and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, 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 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity 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 (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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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 audit opinion on the Consolidated Financial Statements.



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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditors' 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

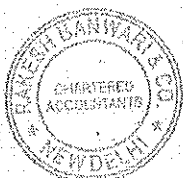
The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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 misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

### **Auditor's Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the entity 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 in preparation of consolidated financial statements 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2020. 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**

We did not audit the financial statements and other financial information, in respect of 4 subsidiaries and 1 step down subsidiary, whose financial statements include total assets of Rs. 573.03 crore as at March 31, 2020, and total revenues of Rs. 702.38 crore and net cash (inflows) of Rs. 7.39 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and step down subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and step down subsidiaries, is based solely on the reports of such other auditors.

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 and the financial statements and other financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and step down subsidiaries, as noted in the 'other matters' paragraph we report, to the extent applicable, that:

- a) We /the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 reports of the other auditors
- c) The Consolidated Balance Sheet, 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 dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is



disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to any director by the Holding Company and its subsidiary which is incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- i) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and step down subsidiaries:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer Note 32 to the Consolidated Financial Statements;
  - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

For **Rakesh Banwari & Co.**  
Chartered Accountants  
Firm Registration No: 009732N

(**Rakesh Aggarwal**)  
Proprietor  
Membership Number: 088193  
UDIN : 20088193AAAABI2982



Place : New Delhi  
Date : 29<sup>th</sup> August 2020



## **Annexure - A to the Auditors' Report**

### **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 Uniparts India Limited ("the Company") as at 31<sup>st</sup> March, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020 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.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Rakesh Banwari & Co.**  
Chartered Accountants  
Firm Registration No: 009732N



**(Rakesh Aggarwal)**  
Proprietor  
Membership Number: 088193  
UDIN : 20088193AAAABI2982

Place : New Delhi  
Date : 29<sup>th</sup> August 2020

### Appendix I

Appendix appended to Auditors' Report for the financial year 2019-20

Sl. No.	Name of Subsidiary / Step down subsidiary	Name of the auditor for the financial year ended March 31, 2020	Name of the auditor for the financial year ended March 31, 2019
1.	Uniparts USA Ltd	KNAV P.A., CPA	Withum Smith + Brown, PC
2.	Uniparts Olsen Inc.	KNAV P.A., CPA	Withum Smith + Brown, PC
3.	Uniparts Europe B. V.	Kroese Wevers Audit BV	Kroese Wevers Audit B.V.
4.	Uniparts India GmbH	DHPG DR. HARZEM und PARTNER mbB	DHPG DR. HARZEM und PARTNER mbB
5.	Gripwel Fasteners Private Limited	S. C Varma and Co., Chartered Accountants	S. C Varma and Co., Chartered Accountants



# Consolidated Balance Sheet

As at 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

	Notes	As at 31st March 2020	As at 31st March 2019
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	2,751.43	2,480.52
Capital work-in-progress	3	74.14	58.74
Goodwill		597.87	601.66
Other intangible assets	3	68.26	24.33
Intangible assets under development	3	6.30	30.02
Financial assets			
Other financial assets	4	50.48	51.40
Current tax assets (Net)		112.27	126.51
Other assets	5	4.46	27.46
<b>Total non-current assets</b>		<b>3,665.21</b>	<b>3,400.64</b>
<b>CURRENT ASSETS</b>			
Inventories	6	3,529.17	3,674.66
Financial assets			
Investments			
Trade receivables	7	1,283.20	1,485.30
Cash and cash equivalents	8	169.21	78.51
Other balances with banks	8	0.35	72.42
Derivative instruments		-	14.70
Loans	9	1.70	4.90
Other financial assets	4	0.33	0.40
Other assets	5	393.15	436.05
<b>Total current assets</b>		<b>5,377.11</b>	<b>5,766.94</b>
<b>Total Assets</b>		<b>9,042.32</b>	<b>9,167.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10	446.20	446.20
Other equity	11	4,195.85	3,782.68
<b>Total equity</b>		<b>4,642.05</b>	<b>4,228.88</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	12	216.12	475.15
Other financial liabilities	13	346.62	-
Provisions	14	138.25	133.83
Deferred tax liabilities (Net)	15	241.48	278.19
Other liabilities	16	8.82	5.63
<b>Total non-current liabilities</b>		<b>951.29</b>	<b>892.80</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	12	2,158.60	2,816.76
Derivative instruments		54.49	-
Trade payables due to:	17		
Micro and small enterprises		146.36	125.90
Other than micro and small enterprises		439.03	607.62
Other financial liabilities	13	262.67	164.38
Other liabilities	16	317.40	259.18
Provisions	14	63.07	64.87
Current tax liabilities (Net)		7.36	7.19
<b>Total current liabilities</b>		<b>3,448.98</b>	<b>4,045.90</b>
<b>Total equity and liabilities</b>		<b>9,042.32</b>	<b>9,167.58</b>
Significant accounting policies	1 & 2		
See accompanying Notes to the Financial Statements			

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants  
Firm Regn. No.009732N

**Rakesh Aggarwal**  
(Proprietor)  
Membership No. 088193

Place : New Delhi  
Date: 29 August 2020

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**  
(Chairman & Managing Director)  
[DIN: 00011478]

**Munish Sapra**  
(Chief Financial Officer)

**Paramjit Singh Soni**  
(Vice Chairman & Director)  
[DIN: 00011616]

**Mukesh Kumar**  
(Company Secretary)  
[ACS: 17925]

# Consolidated Statement of Profit and Loss

For the year ended 31st March, 2020



# Uniparts India Limited

Annual Report 2019-20

(INR in millions)

	Notes	Year ended 31st March 2020	Year ended 31st March 2019
<b>INCOME</b>			
Revenue from operations	18	9,072.20	10,605.66
Other income	19	316.18	19.12
<b>Total Income</b>		<b>9,388.38</b>	<b>10,624.78</b>
<b>EXPENSES</b>			
Cost of materials consumed	20	3,433.05	4,282.84
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	21	(35.34)	(559.60)
Employee benefits expense	22	2,036.20	2,166.37
Finance costs	23	179.65	171.28
Depreciation and amortization expenses	24	354.42	237.81
Other expenses	25	2,676.37	3,405.67
<b>Total expenses</b>		<b>8,644.35</b>	<b>9,704.37</b>
<b>Profit before tax</b>		<b>744.03</b>	<b>920.41</b>
<b>TAX EXPENSES</b>			
Current tax	26	127.23	203.65
MAT credit		19.06	(4.60)
Earlier years		(0.81)	(0.54)
Deferred tax		(28.98)	21.67
<b>Total tax expenses</b>		<b>116.50</b>	<b>220.18</b>
<b>Profit for the year</b>		<b>627.53</b>	<b>700.23</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss			
Re-measurement gains / (losses) of defined benefit plans		9.45	(10.60)
Income tax effect		(2.41)	3.50
		<b>7.04</b>	<b>(7.10)</b>
Items that will be reclassified to Profit or Loss			
Effective portion of cash flow hedge		(69.19)	14.70
Exchange differences in translating the financial statements of foreign operations		(99.67)	(75.51)
Income tax effect		17.41	(5.14)
		<b>(151.45)</b>	<b>(65.95)</b>
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(144.41)</b>	<b>(73.05)</b>
<b>Total comprehensive income for the year</b>		<b>483.12</b>	<b>627.18</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH</b>			
Basic (In ₹)	27	14.23	15.88
Diluted (In ₹)		13.90	15.51
Significant accounting policies	1 & 2		
See accompanying Notes to the Financial Statements			

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants  
Firm Regn. No.009732N

**Rakesh Aggarwal**  
(Proprietor)  
Membership No. 088193

Place : New Delhi  
Date: 29 August 2020

**Gurdeep Soni**  
(Chairman & Managing Director)  
[DIN: 00011478]

**Munish Sapra**  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
**Uniparts India Limited**

**Paramjit Singh Soni**  
(Vice Chairman & Director)  
[DIN: 00011616]

**Mukesh Kumar**  
(Company Secretary)  
[ACS: 17925]

## Consolidated Cash Flow Statement

For the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

(INR in millions)

Particular	Year ended 31st March 2020	Year ended 31st March 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	744.03	920.41
<b>Adjustments for:</b>		
Depreciation and amortization expenses	354.42	237.81
Interest expenses	135.99	147.76
Interest income	(12.35)	(4.93)
Deferred tax	(21.71)	6.39
Expense on employee stock option scheme	5.85	1.99
Transitional impact of Ind AS 116	(10.51)	-
Reclassification of cash flow hedge	-	(1.26)
(Profit) / loss on sale of property, plant and equipment	(62.69)	(0.20)
Fixed assets written-off	0.73	3.97
Unrealised foreign exchange (gain)/ loss	13.89	(3.50)
Exchange difference on translation of assets and liabilities	(147.21)	(106.86)
<b>Operating profit before working capital changes</b>	<b>1000.44</b>	<b>1201.58</b>
<b>Adjustments for changes in working capital :</b>		
Increase/(decrease) in loans	3.20	(2.63)
(Increase)/decrease in other financial assets (non-current)	0.91	(2.76)
(Increase)/decrease in other non-current assets	23.01	27.27
(Increase)/decrease in inventories	145.49	(632.87)
(Increase)/decrease in trade receivables	265.31	(339.45)
(Increase)/decrease in derivative instruments	0.00	1.92
(Increase)/decrease in other financial assets (current)	0.08	0.23
(Increase)/decrease in current tax assets (net)	14.28	(30.10)
(Increase)/decrease in other current assets	42.89	(15.40)
Increase/(decrease) in provisions (non-current)	13.87	10.26
Increase/(decrease) in other non-current liabilities	3.19	(16.71)
Increase/(decrease) in trade payables	(149.60)	(144.24)
Increase/(decrease) in other financial liabilities	444.91	39.66
Increase/(decrease) in other current liabilities	39.98	22.37
Increase/(decrease) in current tax liabilities	0.18	(6.44)
Increase/(decrease) in provisions (current)	(1.80)	9.54
<b>Cash generated from/(used in) operations</b>	<b>1846.34</b>	<b>122.23</b>
Income tax (paid) / refunds	116.50	198.51
<b>Net cash flow from/ (used in) operating activities (a)</b>	<b>1729.84</b>	<b>(76.28)</b>
<b>B. Cash flow from investing activities:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(651.68)	(568.25)
Payments for purchase of intangible assets	(30.26)	(21.25)
Proceeds from sale of property, plant and equipment	131.27	14.30
Interest received	12.35	4.93
<b>Net cash flow from/ (used in) investing activities (b)</b>	<b>(538.32)</b>	<b>(570.27)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) from short term borrowings	(733.79)	726.70
Proceeds from long term borrowings	-	232.17
Repayment of long term borrowings	(259.04)	-
Interest paid	(135.99)	(147.76)
Payment of dividend on equity shares (including DDT)	(65.29)	(54.41)
<b>Net cash flow from/ (used in) financing activities (c)</b>	<b>(1194.11)</b>	<b>756.70</b>

<b>Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>(2.59)</b>	<b>110.15</b>
<b>Opening balance of cash and cash equivalents</b>	<b>150.93</b>	<b>91.49</b>
<b>Net increase/(decrease) in temporary overdraft</b>	<b>18.23</b>	<b>(53.19)</b>
<b>Effects of exchange difference on cash and cash equivalent held in foreign currency</b>	<b>2.99</b>	<b>2.48</b>
<b>Closing balance of cash and cash equivalents [Refer Note 8]</b>	<b>169.56</b>	<b>150.93</b>
<b>Cash and cash equivalents comprises :</b>		
Cash in hand	1.94	3.28
Balances with banks	167.27	75.23
Other bank balances	0.35	72.42

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants  
Firm Regn. No.009732N

**Rakesh Aggarwal**  
(Proprietor)  
Membership No. 088193

**Place : New Delhi**  
**Date: 29 August 2020**

**Gurdeep Soni**  
(Chairman & Managing Director)  
[DIN: 00011478]

**Munish Sapra**  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
**Uniparts India Limited**

**Paramjit Singh Soni**  
(Vice Chairman & Director)  
[DIN: 00011616]

**Mukesh Kumar**  
(Company Secretary)  
[ACS: 17925]

## Consolidated Statement of Change in Equity

For the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### A. EQUITY SHARE CAPITAL

	(INR in millions)
	<b>Amount</b>
<b>Balance at 1st April, 2018</b>	451.34
Change during the year 2018-19	-
<b>Balance at 1st April, 2019</b>	451.34
Change during the year 2019-20	-
<b>Balance at 31st March, 2020</b>	451.34

### B. OTHER EQUITY

Particulars	Reserves and Surplus					Items of other comprehensive income		Total
	Security premium	General reserve	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Exchange differences in translating the financial statements of foreign operations	Effective portion of cash flow hedge	
<b>Balance as at 1st April, 2019</b>	881.35	12.05	3,543.64	110.00	30.14	(712.02)	9.56	3,874.72
Transition impact of Ind AS 116, net of tax			(10.51)					(10.51)
<b>Restated balance as at 1st April, 2019</b>	<b>881.35</b>	<b>12.05</b>	<b>3,533.13</b>	<b>110.00</b>	<b>30.14</b>	<b>(712.02)</b>	<b>9.56</b>	<b>3,864.21</b>
Profit for the year	-	-	627.53	-	-	-	-	627.53
Other comprehensive income for the year	-	-	7.04	-	-	(99.67)	(51.78)	(144.41)
<b>Total comprehensive income for the year</b>	<b>881.35</b>	<b>12.05</b>	<b>4,167.70</b>	<b>110.00</b>	<b>30.14</b>	<b>(811.69)</b>	<b>(42.22)</b>	<b>4,347.33</b>
Payment of dividend on equity shares	-	-	(54.16)	-	-	-	-	(54.16)
Tax on dividend	-	-	(21.79)	-	-	-	-	(21.79)
Reversal of tax on dividend	-	-	10.66	-	-	-	-	10.66
Transfer from special economic zone re-investment reserve			38.16	(38.16)				
Transfer to special economic zone re-investment reserve	-	-	-	-	-	-	-	-
Amount reconginsed during the year	1.10	-	-	-	-	-	-	1.10
ESOP granted during the year	-	-	-	-	5.85	-	-	5.85
<b>Amount recoverable from uniparts employees stock option</b>	<b>882.45</b>	<b>12.05</b>	<b>4,140.57</b>	<b>71.84</b>	<b>35.99</b>	<b>(811.69)</b>	<b>(42.22)</b>	<b>4,288.99</b>
	(93.14)	-	-	-	-	-	-	(93.14)
<b>Balance as at 31st Mar, 2020</b>	<b>789.31</b>	<b>12.05</b>	<b>4,140.57</b>	<b>71.84</b>	<b>35.99</b>	<b>(811.69)</b>	<b>(42.22)</b>	<b>4,195.85</b>



Particulars	Reserves and Surplus					Items of other comprehensive income		Total
	Security premium	General reserve	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Exchange differences in translating the financial statements of foreign operations	Effective portion of cash flow hedge	
<b>Balance as at 1st April, 2018</b>	865.74	12.05	3,014.91	-	28.15	(636.51)	1.26	3,285.60
Profit for the year	-	-	700.22	-	-	-	-	700.22
Other comprehensive income for the year	-	-	(7.10)	-	-	(75.51)	8.30	(74.31)
<b>Total comprehensive income for the year</b>	<b>865.74</b>	<b>12.05</b>	<b>3,708.03</b>	<b>-</b>	<b>28.15</b>	<b>(712.02)</b>	<b>9.56</b>	<b>3,911.51</b>
Payment of dividend on equity shares	-	-	(45.13)	-	-	-	-	(45.13)
Tax on dividend	-	-	(16.97)	-	-	-	-	(16.97)
Reversal of tax on dividend	-	-	7.70	-	-	-	-	7.70
Transfer from Special Economic Zone re-investment reserve	-	-	(110.00)	110.00	-	-	-	-
Amount recongnised during the year	15.61	-	-	-	-	-	-	15.61
ESOP granted during the year	-	-	-	-	1.99	-	-	1.99
	881.35	12.05	3,543.63	110.00	30.14	(712.02)	9.56	3,874.71
Amount recoverable from uniparts employees stock option	(92.04)	-	-	-	-	-	-	(92.04)
<b>Balance as at 31st March, 2019</b>	<b>789.31</b>	<b>12.05</b>	<b>3,543.63</b>	<b>110.00</b>	<b>30.14</b>	<b>(712.02)</b>	<b>9.56</b>	<b>3,782.67</b>

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants

Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)

Membership No. 088193

**Place : New Delhi**

**Date: 29 August 2020**

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Munish Sapra**

(Chief Financial Officer)

**Mukesh Kumar**

(Company Secretary)

[ACS: 17925]

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 1) Corporate Information

The Consolidated financial statements comprise financial statements of Uniparts India Limited (“the Company”) and its subsidiaries (collectively, the Group) for the year ended 31 March 2020. The Company is a company (limited by shares) incorporated under the provisions of Companies Act, 1956. The Company is domiciled in India having its registered office at Gripwel House, Block-5, C6 & 7, Vasant Kunj, New Delhi 110070, India. The Group is engaged into manufacturing, sales and export of linkage parts and components for Off-Highway Vehicles. Information on other related party relationships of the Group is provided in Note 36.

The Group caters to both domestic and international markets. The Company’s CIN is U74899DL1994PLC061753.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1) Basis of Preparation

The Consolidated financial statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (“The Act”) and other relevant provisions of the Act, as applicable.

With effect from 1st April, 2019, Ind AS 116 – “Leases” (Ind AS 116) supersedes Ind AS 17 – “Leases”. The Group has adopted Ind AS 116 using the modified retrospective approach. The application of Ind AS 116 has resulted into recognition of ‘Right-of-Use’ asset with a corresponding Lease Liability in the Balance Sheet.

The Consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest million (₹0,00,000), except when otherwise indicated.

#### 2.2) Basis of Consolidation

The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020 and March 31 2019. Subsidiary companies are all entities over which the Group has control. The control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Group re-assesses whether or not it controls an entity in case facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Intercompany transactions, balances and unrealised gain/loss on transactions between Group companies are eliminated.

The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

#### 2.3) Business combinations and goodwill

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquire.

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in the statement of profit and loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquirer are assigned to those units.

#### 2.4) Current versus non-current classification

The assets and liabilities are presented as current or non-current in the balance sheet by the Group.

An asset is treated as current when it is expected that it will be realised or intended to be sold or consumed in normal operating cycle, it is held primarily for trading purposes, it is expected to be realised within twelve months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are treated as non-current in the balance sheet.

A liability is treated as current when it is expected to be settled in normal operating cycle, if it is held primarily for the purpose of trading, it is due to be settled within twelve months after the end of the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current in the balance sheet.

The Group identifies its operating cycle as twelve months.

Deferred tax asset and liabilities are classified as non-current assets or liabilities in the balance sheet.

#### 2.5) Critical Accounting Judgments & key sources of Estimation uncertainties

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and these may have the most significant effect on the amounts recognized in the Consolidated financial statements or have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis. Revision of accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods where revision affects both current and future periods.

##### Intangible Assets

Capitalization of cost for intangible assets and intangible assets under development is based on the management judgment that technological and economic feasibility is confirmed and assets under development will generate economic benefits in future. Based on the evaluation carried out, the Group's management has determined that there are no factors which indicate that those assets have suffered any impairment loss.

##### Useful life of depreciable Assets

Management reviews the useful life of depreciable assets at each reporting date. As at March 31, 2020 management assessed that the useful life represents the expected utility of the assets by the Group. Further there is no significant change in useful life as compared to the previous year.

##### Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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 risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories are recognised in the Consolidated statement of profit and loss.

##### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

##### Defined benefit plans

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

The cost of the defined benefit gratuity plan, other post-employment plans and the present value of the gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes.

Further details about gratuity obligations are given in Note 31

### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using suitable valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 40 for further disclosures.

### Income tax and deferred tax

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## 2.6) 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.

### Initial Recognition and measurement

On initial recognition, all the financial assets are recognized at their fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

### Subsequent measurement

#### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms 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.

The trade & other receivables, after initial measurement are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

#### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms 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.

Financial assets included within the FVTOCI are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

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

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

### (iv) Financial liabilities

a) The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

b) Loans and borrowings is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. In the calculation of amortised cost, discount or premium on acquisition and fees or costs that are an integral part of the EIR are taken into account. This category generally applies to borrowings.

### Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

### Derecognition of financial instrument

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or has transferred the financial asset and the transfer qualifies for derecognition under Ind AS 109.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## 2.7) Inventories

Inventories are valued as below:

- (i) Raw Materials, Packing Materials and Consumable Stores & Spares are valued at cost computed on FIFO method.
- (ii) Work-in-progress are valued at materials cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.
- (iii) Finished Goods/Traded Goods are valued at lower of the cost or net realizable value.
- (iv) Scrap is valued at net realizable value calculated based on last month's average realization.

## 2.8) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is presented gross of excise duties, wherever applicable. However, sales tax/ value added tax (VAT)/Goods & Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the Group on behalf of the Government. Accordingly, these are excluded from revenue.

The specific recognition criteria as described below must also be met before revenue is recognised.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### Sale of Goods

Revenue is recognised when the customer obtains control of the goods. The customer obtains control of goods at the different point in time based on the delivery terms. Accordingly, Group satisfies its performance obligation at the time of dispatch of goods from the factory/stockyard/storage area/port as the case may be and accordingly revenue is recognised. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

The determination of transaction price, its allocation to promised goods and allocation of discount or variable compensation (if any) is done based on the contract with the customers.

The incremental costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained are recognised as an asset if its recovery is expected and its amortisation period is more than one year, all other such costs are recognised as an expense in Consolidated statement of profit and loss. The incremental cost recognised as an asset is amortised over the period till when such cost is expected to be recovered. Amount so recovered is recognised as revenue in Consolidated statement of profit and loss.

### Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

### Die design and preparation charges

Revenues from die design and preparation charges are recognized as per the terms of the contract as and when the significant risks and rewards of ownership of dies are transferred to the buyers.

### Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Insurance and other claims

Insurance and other claims are recognised as revenue only when it is reasonably certain that the ultimate collection will be made.

## 2.9) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and is allocated to consolidated statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

## 2.10) Property, Plant & Equipment

### Tangible Assets

Depreciation on tangible assets is provided on the straight-line method at the rates and manner prescribed under Schedule II of the Companies Act, 2013 except in the case of Plant and Machinery where the depreciation has been provided on the basis of the useful lives of the assets estimated by the management based on internal assessment and independent technical evaluation carried out by external Chartered Engineer at the time of adoption of Companies Act, 2013. Depreciation for the assets purchased / sold during the year is proportionately charged.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

The estimated useful lives are as mentioned below:

Type of Asset	Method	Useful Lives
Leasehold land	Straight Line	Over the period of lease or estimated useful life, whichever is lower.
Factory Building	Straight Line	30 Years
Furniture & Fittings	Straight Line	10 Years
Plant and Machinery	Straight Line	10 - 20 Years
Office Equipment	Straight Line	5 Years
Computers	Straight Line	3 - 6 Years
Vehicles	Straight Line	8-10 Years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalized at cost, including non-cenvatable excise duty, wherever applicable, GST wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note regarding significant accounting judgments, estimates and assumptions and provisions for further information.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

### 2.11) Intangible Assets

#### Recognition and initial measurement

Purchased Intangible assets are stated at cost less accumulated amortisation and impairment, if any.

#### Internally developed intangible assets

Expenditure on the research phase of projects is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided the Company can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- its intention to complete the intangible asset and use or sell it
- its ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs.

#### Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

### 2.12) Foreign Currency Transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee (INR) and are rounded to two decimal places of Million, which is also the functional and presentation currency of the Group.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

### 2.13) Employee Benefits

#### (i) Short term employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service, are classified as short term employee benefits, which include salaries, wages, short term compensated absences and performance incentives and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. These are recognised as expenses in the period in which the employee renders the related service.

#### (ii) Post-employment benefits

Contributions towards Superannuation Fund, Pension Fund and government administered Provident Fund are treated as defined contribution schemes. In respect of contributions made to government administered Provident Fund, the Group has no further obligations beyond its monthly contributions. Such contributions are recognised as expense in the period in which the employee renders related service.

The cost of defined benefit such as is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses in respect of the same are charged to the Other Comprehensive Income (OCI).

#### (iii) Other long-term benefits

All employee benefits other than post-employment benefits and termination benefits, which do not fall due wholly within twelve months after the end of the period in which the employees render the related service, including long term compensated absences, service awards, and ex-gratia are determined based on actuarial valuation carried out at each balance sheet date. Estimated liability on account of long term employee benefits is discounted to the present value using the yield on government bonds as the discounting rate for the term of obligations as on the date of the balance sheet. Actuarial gains and losses in respect of the same are charged to the statement of profit and loss.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary retirement in exchange of these benefits. The Group recognises termination benefits at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; and

(b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

The termination benefits are measured based on the number of employees expected to accept the offer in case of voluntary retirement scheme.



**2.14) Leases****(i) Determining whether an arrangement contains a lease**

At inception of a contract, the Group determines whether the contract is, or contains, a lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset or assets for a period of time in exchange for consideration, even if that right is not explicitly specified in a contract.

At inception or on reassessment of a contract that contains lease component and one or more additional lease or non-lease components, the Group separates payments and other consideration required by the contract into those for each lease

component on the basis of their relative Consolidated price and those for non-lease components on the basis of their relative aggregate stand-alone price. If the Group concludes that it is impracticable to separate the payments reliably, then right-of-use asset and Lease liability are recognised at an amount equal to the present value of future lease payments; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

The previous determination pursuant to Ind AS17 and its 'Appendix C' of whether a contract is a lease has been maintained for existing contracts.

**(ii) Group as a lessee**

At inception, the Group assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether it depends on an identified asset, whether the Group obtains substantially all the economic benefits from the use of that asset, and whether the Group has the right to direct the use of that asset.

The Group has elected to separate lease and nonlease components of contracts, wherever possible. The Group recognizes a right-of-use asset and a lease liability at the transition date/ lease commencement date. The right-of-use asset is initially measured based on the present value of future lease payments, plus initial direct costs wherever identifiable, and cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, and lease payments made at or before the commencement date, less

any incentives received. The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment.

At the commencement date, Group measures the lease liability at the present value of the future lease payments that are not yet paid at that date discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group's uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset, if the Company changes its assessment whether it will exercise an extension or a termination option.

Contingent rents payments are recognised as an expense in the period in which they are incurred. Lease payments generally include fixed payments and variable payments that depend on an index (such as an inflation index). When the lease contains an extension or purchase option that the Group considers reasonably certain to be exercised, the cost of the option is included in the lease payments.

The Group has elected not to recognize right-of use assets and liabilities for leases where the total lease term is less than or equal to 12 months, or for leases of low value assets. The payments for such leases are recognized in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

**(iii) Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

**2.15) Taxation****a) Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### b) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised and carried forward only if it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax. Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

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.

#### 2.16) Employee Stock options

The Group has accounted for the share based payment for employees in respect of Group's ESOP - based on the IND AS 102 " Share-based payments" and Guidance Note on "Accounting for Employees Share Based Payment" issued by ICAI ("Guidance Note"). The Group follows the Fair Market Value Method (calculated on the basis of Black-Scholes method) to account for compensation expenses arising from issuance of stock options to the employees and has recognized the services received in an equity-settled employee share-based payment plan as an expense when it receives the services, with a corresponding credit to Stock Options Outstanding Account. Further, employees compensation cost recognized earlier on grant of options is reversed in the year when the Options are surrendered by the employee.

#### 2.17) Borrowings & Borrowing Costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in consolidated statement of profit and loss in the period in which they are incurred.

#### 2.18) Impairment of Assets

##### Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

##### Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

#### 2.19) Cash and Cash Equivalents

Cash and cash equivalents includes cash and cheques in hand, current accounts and fixed deposit accounts with banks 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.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



**Uniparts India Limited**

Annual Report 2019-20

### 2.20) Cash Flow Statement

Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Group are segregated.

### 2.21) Provisions and Contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 Group 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.

### 2.22) Derivative financial instruments and hedge accounting

Cash Flow Hedge:

The Group enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the consolidated statement of profit or loss when the related hedge items affect profit or loss. Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

### 2.23) Dividend to equity holders of the Group

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

### 2.24) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

### 2.25) Earnings Per Share

Earning per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



**Uniparts India Limited**

Annual Report 2019-20

### 3. PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(INR in millions)

Description	Gross Block					Depreciation/Amortisation and Depletion					Net Block	
	As at 1st April 2019	Exchange diff	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March 2020	As at 1st April 2019	Exchange diff	For the year	Deductions/ Adjustments	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
<b>PROPERTY, PLANT AND EQUIPMENT</b>												
<b>Own Assets:</b>												
Land	34.33	-	-	-	34.33	-	-	-	-	-	34.33	34.33
Buildings	814.83	5.75	9.62	54.47	775.73	205.48	1.95	26.26	16.77	216.92	558.81	609.35
Leasehold Improvement	15.17	-	-	-	15.17	11.63	-	1.72	-	13.35	1.82	3.54
Plant & Machinery	3,105.06	81.33	142.44	25.36	3,303.47	1,673.31	67.12	201.49	22.11	1,919.81	1,383.66	1,431.75
Furniture & fixtures	51.93	0.21	1.09	0.87	52.36	35.55	0.18	2.61	0.81	37.53	14.83	16.38
Vehicles	89.35	2.06	18.66	26.84	83.23	54.36	1.52	9.26	24.07	41.07	42.16	34.99
Office Equipments	50.45	-	6.56	3.27	53.74	33.56	-	4.38	2.99	34.95	18.79	16.89
Computers	118.94	1.07	14.90	8.35	126.56	86.33	1.02	12.39	7.81	91.93	34.63	32.61
Sub total	4,280.06	90.42	193.27	119.16	4,444.59	2,100.22	71.79	258.11	74.56	2,355.56	2,089.03	2,179.84
<b>Right-of-Use Assets:</b>												
Land	313.77	0.56	-	23.23	291.10	13.09	-	6.56	-	19.65	271.45	300.68
Buildings	415.34	24.90	1.28	-	441.52	-	-	69.92	-	69.92	371.60	-
Plant and Machinery	4.85	0.45	1.14	-	6.44	-	-	2.81	-	2.81	3.63	-
Vehicles	16.68	1.28	3.39	-	21.35	-	-	5.75	-	5.75	15.60	-
Computer	0.33	0.02	-	-	0.35	-	-	0.23	-	0.23	0.12	-
Sub total	750.97	27.21	5.81	23.23	760.76	13.09	-	85.27	-	98.36	662.40	300.68
<b>Total (A)</b>	<b>5,031.03</b>	<b>117.63</b>	<b>199.08</b>	<b>142.39</b>	<b>5,205.35</b>	<b>2,113.31</b>	<b>71.79</b>	<b>343.38</b>	<b>74.56</b>	<b>2,453.92</b>	<b>2,751.43</b>	<b>2,480.52</b>
<b>OTHER INTANGIBLE ASSETS</b>												
Software	129.59	2.54	53.98	1.50	184.61	105.26	0.05	11.04	-	116.35	68.26	24.33
Total (B)	129.59	2.54	53.98	1.50	184.61	105.26	0.05	11.04	-	116.35	68.26	24.33
<b>Total (A+B)</b>	<b>5,160.62</b>	<b>120.17</b>	<b>253.06</b>	<b>143.89</b>	<b>5,389.96</b>	<b>2,218.57</b>	<b>71.84</b>	<b>354.42</b>	<b>74.56</b>	<b>2,570.27</b>	<b>2,819.69</b>	<b>2,504.85</b>
Previous Year	3,948.05	57.17	802.47	84.27	4,723.42	2,043.10	45.14	203.17	72.84	2,218.57	2,504.85	1,904.95
<b>CAPITAL WORK-IN-PROGRESS</b>											74.14	58.74
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>											6.30	30.02

3.1) For Assets given as security - Refer Note 12

3.2) The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets. Further, balances of right-of-use assets towards Building and Vehicles as at April 1, 2019 includes transition adjustment of Ind AS116 of ₹ 457.40 million and additions of ₹ 5.81 million and a Lease Liability of ₹ 452.79 million as at April 1, 2019.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>4. OTHER FINANCIAL ASSETS</b>		
<b>Non-current</b>		
Security deposits	50.34	51.32
Deposits with original maturity of more than twelve months	0.14	0.08
<b>Total</b>	<b>50.48</b>	<b>51.40</b>
<b>Current</b>		
Interest accrued but not due	0.33	0.40
<b>Total</b>	<b>0.33</b>	<b>0.40</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>5. OTHER ASSETS</b>		
<b>Non-current (Unsecured, considered good)</b>		
Capital advances	4.46	27.46
<b>Total</b>	<b>4.46</b>	<b>27.46</b>
<b>Current (Unsecured, considered good)</b>		
Advances to suppliers [Refer Note 5.1]	18.63	23.37
Balance with customs, central excise, GST and state authorities	139.05	226.61
Government grant - export incentives receivable	78.10	90.89
Prepaid expenses	29.89	33.88
Advance payments, other recoverable in cash or in kind-or for value to be received	0.24	0.96
Advance rent	7.06	4.27
Fund raising expenses [Refer Note 43]	59.89	56.07
Insurance claim receivable [Refer Note 42]	60.29	-
<b>Total</b>	<b>393.15</b>	<b>436.05</b>

5.1) No advances are due from directors or other officers of the Company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>6. INVENTORIES</b>		
Raw materials (including materials in transit)	482.97	662.82
Work-in-progress	738.91	879.84
Finished goods (including goods at port)	2,029.99	1,834.39
Traded goods	30.59	23.76
Stores and spares (including materials in transit)	293.49	293.98
Scrap	5.96	7.55
	3,581.91	3,702.34
Less: Provision for obsolescence	52.74	27.68
<b>Total</b>	<b>3,529.17</b>	<b>3,674.66</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>7. TRADE RECEIVABLES</b>		
<b>Current (secured, considered good)</b>		
Trade receivables	4.73	9.11
<b>Current (Unsecured, considered good)</b>		
Trade receivables	1,278.47	1,481.38
Credit Impaired	8.49	0.95
	<b>1,286.96</b>	<b>1,482.33</b>
<b>Impairment allowance (bad and doubtful debts)</b>		
Expected credit loss	(8.49)	(6.14)
<b>Total</b>	<b>1,283.20</b>	<b>1,485.30</b>

7.1) Generally payment against sale of goods become due as per payment terms, and fixed transaction price as per contracts with customers.

7.2) The carrying amount of trade receivables includes receivables which are discounted with banks. Since the Company has retained the late payment and credit risk of these receivables, such receivables are not derecognised and a corresponding amount is recognised as borrowings [Refer note no. 12]. Amount so recognised is ₹ 42.65 millions for the year ended March 31, 2020 and ₹ 100.12 for the year ended March 31, 2019.

Particular	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>8. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1.94	3.28
<b>Balances with banks:</b>		
In cash credit and current accounts	166.11	75.09
In EEFC accounts	-	0.14
Deposits with original maturity of less than three months	1.16	-
<b>Total</b>	<b>169.21</b>	<b>78.51</b>
<b>Other bank balances</b>		
Deposits with original maturity of less than twelve months	0.35	72.42
<b>Total</b>	<b>0.35</b>	<b>72.42</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>9. LOANS</b>		
<b>Current (Unsecured, considered good)</b>		
Loans to employees	1.70	4.90
<b>Total</b>	<b>1.70</b>	<b>4.90</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial assets carried at amortised cost</b>		
Other financial assets [Refer Note 4]	50.82	51.80
Trade receivables [Refer Note 7]	1,283.20	1,485.29
Cash and cash equivalents [Refer Note 8]	169.20	78.50
Other bank balances [Refer Note 8]	0.35	72.42
Loans [Refer Note 9]	1.70	4.90
<b>Total</b>	<b>1,505.27</b>	<b>1,692.91</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial assets carried at fair value through OCI</b>		
Derivative instruments	-	14.70
<b>Total</b>	<b>-</b>	<b>14.70</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particular	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>10. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
6,00,00,000 (March 31, 2019 : 6,00,00,000) equity shares of ₹ 10 each	600.00	600.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
4,51,33,758 (March 31, 2019 : 4,51,33,758) equity shares of ₹ 10 each fully Paid-up	451.34	451.34
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	5.14	5.14
<b>Total</b>	<b>446.20</b>	<b>446.20</b>

### 10.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	(INR in millions)			
	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	45,133,758	451.34	45,133,758	451.34
At the end of the year	45,133,758	451.34	45,133,758	451.34

### 10.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders of equity shares of the Company are entitled to receive dividends as and when declared by the Company and enjoy proportionate voting rights in case any resolution is put to vote. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 10.3 Details of shareholders holding more than 5% shares:

Name of the Shareholder	(INR in millions)			
	As at 31st March 2020		As at 31st March 2019	
	Number	% holding in the class	Number	% holding in the class
Gurdeep Soni	14,955,570	33.14	14,955,570	33.14
Ashoka Investment	7,180,642	15.91	7,180,642	15.91
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	5,595,090	12.40	5,595,090	12.40
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	4,000,000	8.86	4,000,000	8.86
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	3,700,000	8.20	3,700,000	8.20
<b>Equity Shares at the end of the year</b>	<b>35,431,302</b>	<b>78.51</b>	<b>35,431,302</b>	<b>78.51</b>



## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particular	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>11. OTHER EQUITY</b>		
<b>SECURITIES PREMIUM [Refer note 11.1]</b>		
As per last Balance Sheet	881.35	865.74
Add: Amount recognised during the year	1.10	15.61
	<b>882.45</b>	<b>881.35</b>
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	93.14	92.04
	<b>789.31</b>	<b>789.31</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 11.2]</b>		
As per last Balance Sheet	30.14	28.15
Add: Compensation for the year [Refer Note 22]	5.85	1.99
	<b>35.99</b>	<b>30.14</b>
<b>FOREIGN CURRENCY TRANSLATION RESERVE</b>		
As per last Balance Sheet	(712.02)	(636.51)
Add: Transfer during the year	(99.67)	(75.51)
	<b>(811.69)</b>	<b>(712.02)</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	9.56	1.26
Add: Arising during the year	(51.78)	9.56
Less: Adjusted during the year	-	1.26
	<b>(42.22)</b>	<b>9.56</b>
<b>GENERAL RESERVE [Refer note 11.3]</b>		
As per last Balance Sheet	12.05	12.05
Transfer during the year	-	-
	<b>12.05</b>	<b>12.05</b>
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE [Refer note 11.4]</b>		
Balance at the beginning	110.00	-
Add: Arising during the year	-	110.00
Less: Adjusted during the year	38.16	-
	<b>71.84</b>	<b>110.00</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</b>		
As per last Balance Sheet	3,543.64	3,014.91
Add: Transitional Impact of IndAS116 [Refer note 30]	(10.51)	0.00
Add: Profit for the year	627.53	700.23
Add: Transfer from Special Economic Zone re-investment reserve	38.16	-
<b>Add: Other Comprehensive Income:</b>		
Re-measurement of defined benefit obligations (net of tax)	7.04	(7.10)
	<b>4,205.86</b>	<b>3,708.04</b>
<b>Less: Appropriations</b>		
Payment of dividend on equity shares	54.16	45.13
Tax on dividend	21.79	16.97
Reversal of tax on dividend	(10.66)	(7.70)
Transfer to Special Economic Zone re-investment reserve	-	110.00
	<b>65.29</b>	<b>164.40</b>
	<b>4,140.57</b>	<b>3,543.64</b>
<b>Total</b>	<b>4,195.85</b>	<b>3,782.68</b>

- 11.1 Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013
- 11.2 The Share option outstanding account is to be utilised for the purpose of issuance of Equity shares under Employee Stock Option Plan.
- 11.3 Retained earnings and General Reserve are to be utilised for General purpose.
- 11.4 The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>12. BORROWINGS</b>		
<b>Non-current borrowings</b>		
Foreign currency term loans from bank (secured) [Refer Note 12.1,12.4,12.5]	54.19	178.77
Other foreign currency loans [Refer Note 12.4(b)]	0.54	0.80
Rupee term loans from bank (secured) [Refer Note 12.2,12.3]	161.39	295.58
<b>Total</b>	<b>216.12</b>	<b>475.15</b>
<b>Current borrowings</b>		
<b>Current maturity of term loans from banks</b>		
Foreign currency term loans (secured)	102.73	109.18
Rupee term loans (secured)	86.73	54.26
<b>Current maturity of term loans from others</b>		
Foreign currency term loans (secured)	0.79	0.58
Rupee term loans (secured)	-	0.36
<b>Working capital loans from banks repayable on demand</b>		
<b>Foreign currency loans</b>		
Preshipment packing credit (secured) [Refer note 12.6]	1,524.46	1,443.90
Revolving Credit Facility/Lines of Credit [Refer note 12.6]	591.49	891.20
<b>Rupee loans</b>		
Preshipment packing credit (secured) [Refer note 12.6]		
Bill discounting with banks (secured) [Refer note 12.7]	42.65	100.12
<b>Total</b>	<b>2,348.85</b>	<b>2,981.13</b>
Less: Amount disclosed in other current financial liabilities [Refer note 13]	190.25	164.38
<b>Total</b>	<b>2,158.60</b>	<b>2,816.76</b>

### Uniparts India Limited

#### 12.1 Foreign Currency Term Loans:

##### From Kotak Mahindra Bank Limited

##### Balance outstanding ₹ 90.42 million (For March 31, 2019 ₹ 154.21 million)

Above loan is secured against (i) First pari-passu charge on all existing and future moveable fixed assets excluding vehicle specifically financed by other lenders of the borrowers, (ii) Equitable mortgage charge over two properties, including land and building belonging to the borrowers situated at C140, Focal point, Ludhiana and plot no. D 126A, focal point Ludhiana, (iii) Equitable mortgage charge over residential flat belonging to Pamela Soni (Relative of KMP) & Gurdeep Soni (KMP) Situated at central park, Gurgaon and (iv) Personal guarantees of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

Moratorium of 6 months from the date of drawdown and repayable in 36 equal monthly installments along with fixed interest @ 4.00% ~ 5.00% p.a. on outstanding USD notional, monthly.

#### 12.2 Rupee Term Loans:

##### From Kotak Mahindra Bank Limited

##### Balance outstanding ₹ 115.47 million (For March 31, 2019 ₹ 150.00 million)

Above loan is secured against (i) First pari-passu charge on all existing and future moveable fixed assets excluding vehicle specifically financed by other lenders of the borrowers, (ii) Equitable mortgage charge over two properties, including land and building belonging to the borrowers situated at C140, Focal point, Ludhiana and plot no. D 126A, focal point Ludhiana, (iii) Equitable mortgage charge over residential flat belonging to Pamela Soni (Relative of KMP) & Gurdeep Soni (KMP) Situated at central park, Gurgaon and (iv) Personal guarantees of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

Moratorium of 6 months from the date of drawdown and repayable in 54 equal monthly instalments along with fixed interest @ 8.00% to 9.50% p.a. on outstanding monthly balance.

##### From Citibank N.A.

##### Balance outstanding ₹ 133.33 million (For March 31, 2019 ₹ 200.00 million)

Above loan is secured against (i) exclusive charge on the moveable fixed assets funded from the term loan. (ii) plant and machinery and corporate guarantee of Gripwel Fasteners Pvt. Ltd.

Moratorium of 12 months from the date of drawdown and repayable in 48 equal monthly instalments along with fixed interest @ 7.00% to 9.13% p.a. on outstanding monthly balance.

##### From Kotak Mahindra Prime Limited

##### Balance outstanding ₹ Nil (For March 31, 2019 ₹ 0.36 million)

Above loan is secured against hypothecation of Cars, repayable within 5 years from the date of sanction and carries rate of Interest @ 9.9% p.a.

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### Gripwel Fasteners Private Limited

#### 12.3 Rupee Term Loans:

##### From Axis Bank Limited

Balance outstanding ₹ 0.90 million (For March 31, 2019 ₹ 0.09 million)

Above loan is secured against hypothecation of Car, repayable within 36 months from the date of sanction and carries rate of Interest @ 9.75% p.a.

#### Uniparts USA Limited

#### 12.4 Foreign Currency Term Loans:

##### a) From JP Morgan Chase

Balance outstanding ₹ Nil (For March 31, 2019 ₹ 45.25 million)

Above loan is secured by (i) substantially all assets of the Company and (ii) Corporate Guarantee of Uniparts Olsen Inc.

Repayable with fixed monthly payments of \$ 6,000 through March 24, 2020. Interest is due monthly at a rate of 2.25% plus an adjusted LIBOR.

##### b) From Wells Fargo Equipment Finance

Balance outstanding ₹ 1.33 million (For March 31, 2019 ₹ 1.38 million)

Above loan is secured by Equipment financed.

Repayable with fixed monthly payments of \$ 786 through June, 2021 and \$ 138 through April, 2024, including interest rate @5.29% though June, 2021.

#### Uniparts Olsen Inc.

#### 12.5 Foreign Currency Term Loans:

##### a) From JP Morgan Chase

Balance outstanding ₹ 65.73 million (For March 31, 2019 ₹ 88.50 million)

Above loan is secured by (i) substantially all assets of the Company and (ii) Corporate Guarantee of Uniparts USA Ltd.

Repayable with fixed monthly payments of \$ 8,625 through March, 2021, \$ 7,432 through March, 2022, \$ 6,256 through March 2023 and \$12636 through April 2024. Interest is due monthly bearing interest rate at 4.49%~4.85%.

#### 12.6 Working capital loans

Uniparts India Limited -Above loan is secured against (i) First pari passu charge on all existing and future current assets and moveable fixed assets, (ii) Equitable mortgage by way of first pari passu charge over the land and building situated at B208, A1&2, Phase II, Noida, UP and (iii) Personal guarantees/securities of Mr. Gurdeep Soni (KMP) and Mr. Paramjit Singh Soni (KMP), Directors of the Company.

Gripwel Fasteners Private Limited - Above loan is secured against (i) First exclusive charge on present and future stocks and book debts of the company, (ii) First exclusive charge by way of equitable mortgage on land and building located at 142A/30 to 142A/51, NSEZ, Noida, UP and (iii) Corporate Guarantees of Holding Company i.e. Uniparts India Limited.

Revolving Credit Facility / Lines of Credit for US Subsidiaries are secured by substantially all the assets of subsidiaries (WOS) and step-down subsidiaries.

#### Rate of Interest

# Ranges from LIBOR+100 bps to 175 bps

## Ranges from 5.00% to 9.50%

\* Interest @ 3.00% to 4.00% p.a. on foreign currency loans

#### 12.7 Bill discounting with banks

Bill discounting (unsecured) with bank is repayable within 120 days and it carries interest @ 9.00% to 9.50%

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>13. OTHER FINANCIAL LIABILITIES</b>		
<b>Non-current</b>		
Lease liabilities	346.62	-
<b>Total</b>	<b>346.62</b>	<b>-</b>
<b>Current</b>		
Current maturities of long term loans	190.25	164.38
Lease liabilities	72.42	-
<b>Total</b>	<b>262.67</b>	<b>164.38</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>14. PROVISIONS</b>		
<b>Non-current</b>		
Provision for gratuity [Refer Note 31]	118.55	112.98
Provision for leave entitlement [Refer Note 31]	19.70	20.85
<b>Total</b>	<b>138.25</b>	<b>133.83</b>
<b>Current</b>		
Provision for gratuity [Refer Note 31]	37.34	42.25
Provision for leave entitlement [Refer Note 31]	25.73	22.62
<b>Total</b>	<b>63.07</b>	<b>64.87</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>15. DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax assets	82.52	71.77
Deferred tax liabilities	324.00	349.96
<b>Total</b>	<b>241.48</b>	<b>278.19</b>

	As at 31st March 2019	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	Others Including exchange difference	As at 31st March 2020
<b>Deferred tax assets</b>					
Expenses deductible in future years	71.77	(15.98)	(2.41)	-	53.38
Lease Liabilities	71.77	(21.67)	-	50.81	29.14
		(37.65)	(2.41)	50.81	82.52
<b>Deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible Assets	217.36	(76.23)	-	46.81	187.94
Fair valuation of Cash Flow Hedges	5.14	(1.44)	(17.41)	-	(13.71)
<b>On account of Overseas Subsidiaries</b>					
Deferred Tax Liabilities	127.47	11.03	-	11.27	149.77
	349.97	(66.64)	(17.41)	58.08	324.00
<b>Total</b>	<b>278.20</b>	<b>(28.99)</b>	<b>(15.00)</b>	<b>7.27</b>	<b>241.48</b>

	As at 31st March 2019	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	Others Including exchange difference	As at 31st March 2020
<b>Deferred tax assets</b>					
Expenses deductible in future years	62.22	6.04	3.50	-	71.77
	62.22	6.04	3.50	-	71.77
<b>Deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible Assets	200.02	17.34	-	-	217.36
Fair valuation of cash flow hedges	0.67	(0.67)	5.14	-	5.14
<b>On account of Overseas Subsidiaries</b>					
Deferred Tax Liabilities	110.03	(32.30)	-	49.73	127.47
	310.72	(15.63)	5.14	49.73	349.97
<b>Total</b>	<b>248.50</b>	<b>(21.67)</b>	<b>1.64</b>	<b>49.73</b>	<b>278.20</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	As at 31st March 2020	As at 31st March 2019
<b>16. OTHER LIABILITIES</b>		
<b>Non-current</b>		
Deferred Rent	5.54	-
Deferred gain-leaseback	-	1.95
Deferred government grant [Refer Note 16.1]	3.28	3.68
<b>Total</b>	<b>8.82</b>	<b>5.63</b>
<b>Current</b>		
Trade deposits and advances [Refer Note 16.2]	0.86	1.42
Provision for expenses	103.45	61.85
Employee benefits payable	103.04	145.32
Temporary overdraft from banks	34.59	16.37
Statutory dues payable	23.91	33.96
Advance received from Insurance Co. [Refer Note 42]	51.29	-
Deferred government grant [Refer Note 16.1]	0.26	0.26
<b>Total</b>	<b>317.40</b>	<b>259.18</b>
<b>Total</b>	<b>326.22</b>	<b>264.81</b>

16.1 Government grants include grants and subsidies for investments in fixed assets. There are no unfulfilled conditions or contingencies attached to these grants.

16.2 Recognised as revenue upon satisfaction of performance obligation in immediate next reporting period.

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>17. TRADE PAYABLES DUE TO</b>		
Micro and small enterprise [Refer Note 34]	146.36	125.90
Other than micro and small enterprise	439.03	607.62
<b>Total</b>	<b>585.39</b>	<b>733.52</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial liabilities carried at amortised cost</b>		
Non-current borrowings [Refer Note 12]	216.12	475.16
Current borrowings [Refer Note 12]	2,158.60	2,816.76
Other financial liabilities [Refer Note 13]	262.67	164.38
Trade payables [Refer Note 17]	585.39	733.52
<b>Total</b>	<b>3,222.78</b>	<b>4,189.82</b>

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>Break up of financial liability carried at fair value through OCI</b>		
Derivative instruments	54.49	-
<b>Total</b>	<b>54.49</b>	<b>-</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>18 REVENUE FROM OPERATIONS</b>		
Sale of products		
Finished goods (Net of returns, rebate etc.) [Refer Note 33]	8,725.46	10,169.45
Traded goods	0.63	-
Scrap	163.91	230.23
Sale of services		
Sale of services	17.36	-
	8,907.36	10,399.68
Other operating revenues		
Export incentives	164.44	205.97
Amortisation of deferred govt grants	0.40	0.01
	164.84	205.98
<b>Total</b>	<b>9,072.20</b>	<b>10,605.66</b>

18.1 Consequent to introduction of Goods and Service Tax ("GST") with effect from 1 July 2017, central excise and value added tax have been subsumed into GST. In accordance with Ind AS 18, GST is not considered a part of revenue unlike excise duties which used to be included in revenue in period before 1 July 2017.

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>19 OTHER INCOME</b>		
Interest Income		
Interest	12.35	4.93
Others		
Lease receipts	2.46	-
Insurance claim recoveries [Refer Note 42]	231.79	-
Profit on sale of fixed assets (net)	62.69	0.20
Miscellaneous receipts	6.89	13.99
<b>Total</b>	<b>316.18</b>	<b>19.12</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>20 COST OF MATERIALS CONSUMED</b>		
Inventories at the beginning of the year	660.43	520.11
Add: Purchases	3,254.81	4,423.16
Less: Inventories at the end of the year	482.19	660.43
<b>Cost of materials consumed</b>	<b>3,433.05</b>	<b>4,282.84</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP</b>		
(Increase)/decrease in stocks:		
Inventories at the end of the year		
Finished goods	1,984.79	1,813.64
Traded Goods	27.00	19.68
Work-in-progress	731.38	872.92
Scrap	5.96	7.55
	2,749.13	2,713.79
Inventories at the beginning of the year		
Finished goods	1,813.64	1,278.41
Traded Goods	19.68	20.29
Work-in-progress	872.92	848.36
Scrap	7.55	7.12
	2,713.79	2,154.19
<b>Total</b>	<b>(35.34)</b>	<b>(559.60)</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>22 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages [Refer Note 31]	1,901.54	2,012.30
Contribution to provident and other funds	64.31	63.88
Expense on employee stock option scheme [Refer Note 32]	5.85	1.99
Staff welfare expenses	64.50	88.20
<b>Total</b>	<b>2,036.20</b>	<b>2,166.37</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>23 FINANCE COSTS</b>		
Interest	135.99	147.76
Bill discounting charges	14.82	12.59
Interest on lease liabilities	20.03	-
Other borrowing costs:		
Bank charges	8.81	10.93
<b>Total</b>	<b>179.65</b>	<b>171.28</b>

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>24 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation of tangible assets [Refer Note 3]	258.11	231.57
Depreciation of right-of-use of assets [Refer Note 3]	85.27	-
Amortization of intangible assets [Refer Note 3]	11.04	6.24
<b>Total</b>	<b>354.42</b>	<b>237.81</b>

## Notes



## Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>25 OTHER EXPENSES</b>		
Stores, spares and tools consumed	516.93	675.26
Sub-contracting expenses	600.71	930.55
Power, fuel and water	342.50	376.73
Cartage, freight and forwarding	384.50	481.61
Air freight	33.38	224.91
Rent	71.54	143.42
Rates and taxes	32.64	36.82
Travelling and conveyance	51.53	49.73
Communication	15.94	16.97
Printing and stationery	6.64	9.56
Insurance	41.70	39.05
<b>Repairs and maintenance:</b>		
Building	32.46	33.57
Plant and machinery	117.89	107.68
Others	107.35	104.23
Office maintenance	21.69	21.29
Vehicle repairs and maintenance	14.20	12.70
Advertisement, publicity and sales promotion	8.15	9.58
Commission and discount	-	3.32
Legal and professional charges	51.38	43.47
Directors sitting fees	0.46	1.43
Director commission	0.30	0.60
Payment to auditors [Refer Note 25.1]	14.53	24.07
Exchange differences (net)	(32.71)	29.01
Bad debts	2.06	7.55
Allowances for doubtful trade receivables (expected credit loss allowance) [Refer Note 7]	3.40	-
Staff recruitments	1.42	5.14
Donation and charity	0.29	0.34
Contribution towards CSR	8.00	8.00
Fixed assets written-off [Refer Note 42]	0.73	3.97
Loss due to fire [Refer Note 42]	218.34	-
Miscellaneous	8.42	5.11
<b>Total</b>	<b>2,676.37</b>	<b>3,405.67</b>

### 25.1 Payment to Auditors

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>As Auditors:</b>		
Audit fees	13.41	23.29
Tax Audit Fee	0.07	0.07
<b>In Other Capacity:</b>		
Taxation Matters	0.04	0.04
Out of pocket expenses	1.02	0.67
<b>Total</b>	<b>14.54</b>	<b>24.07</b>



## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>26 TAX EXPENSES</b>		
Current tax	127.23	203.65
MAT	19.06	(4.60)
Deferred tax	(28.98)	21.67
Tax for earlier years (net)	(0.81)	(0.54)
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>116.50</b>	<b>220.18</b>

### Reconciliation of tax expenses and the accounting profit multiplied by the applicable tax rate

Particulars	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Accounting profit before tax from operations	744.03	920.41
Applicable Tax Rate	34.94%	34.94%
Income tax expense calculated at applicable tax rate	260.00	321.62
<b>Items giving rise to difference in tax</b>		
Exemption/Deduction u/s 10	(18.11)	(51.52)
Deductions u/s 80	(1.26)	(1.59)
Expenses disallowed	4.45	(9.74)
OCI Adjustments	-	(2.80)
MAT	0.93	7.50
Others	0.57	-
Differential Tax Rate under various jurisdiction for Subsidiaries Companies	(100.28)	(59.83)
<b>Current Tax Provision</b>	<b>146.29</b>	<b>203.64</b>
Incremental deferred tax liability on Account of timing difference	(66.63)	27.71
Incremental deferred tax Assets on Account of timing difference	(37.65)	6.04
<b>Deferred Tax Provision</b>	<b>(28.98)</b>	<b>21.67</b>
Tax for earlier years (Net)	(0.81)	(0.54)
Total tax expenses recognised	116.50	224.77
Effective tax rate	15.66%	24.42%

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

### 27 EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity share holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Computation of Profit (Numerator)		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	627.53	700.23
Computation of Weighted Average Number of Shares (Denominator)		
Adjusted Weighted Average number of Equity Shares for calculating Diluted EPS	45,133,758	45,133,758
Less: Shares Issued to Uniparts ESOP Trust	1,027,200	1,027,200
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44,106,558	44,106,558
Computation of EPS - Basic (in INR)		
Computation of EPS - Diluted (in INR)	14.23	15.88
	13.90	15.51

### 28 Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Year ended 31st March 2020	(INR in millions)			
	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans	-	9.45	(2.41)	7.04
Effective portion of cash flow hedge	(69.19)	-	17.41	(51.78)
<b>Total</b>	<b>(69.19)</b>	<b>9.45</b>	<b>15.00</b>	<b>(44.74)</b>

Year ended 31st March 2019	(INR in millions)			
	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans	-	(10.60)	3.50	(7.10)
Effective portion of cash flow hedge	14.70	-	(5.14)	9.56
<b>Total</b>	<b>14.70</b>	<b>(10.60)</b>	<b>(1.64)</b>	<b>2.46</b>

## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2020



Uniparts India Limited

Annual Report 2019-20

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>29 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):</b>		
(i) <b>Contingent liabilities:</b>		
(a) <b>Claims against the company not acknowledged as debt:</b>		
Sales Tax Matters	13.06	2.64
Service Tax Matters	-	0.23
Excise Matters	0.21	0.21
Custom Matters	1.60	1.60
GST Matters	0.36	-
Others	0.97	-
Labour Matters	Not Ascertainable	Not Ascertainable
(b) <b>Income Tax Demands</b>	44.42	9.72
(c) <b>Sales Tax Liability against Pending Forms</b>	0.36	0.04
(d) <b>Others</b>		
<b>a) Guarantees given on behalf of the company by the Banks:</b>		
Sales Tax Matters	0.03	0.03
Pollution Control Board	0.05	-
Excise Matters	0.50	0.50
Custom Matters	0.06	-
Gas Connections	2.68	2.68
<b>b) Other money for which the company is contingently liable:</b>		
SBLC (Stand By Letter of Credit) for Wholly Owned Subsidiaries	-	8.82
Bond cum Legal Undertaking to Andhra Pradesh Special Economic Zone	-	2,398.55
(ii) <b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	14.51	64.06

### 30 LEASE

(i) Effective 01 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings as on the date of initial application. Accordingly, the Company is not required to restate the comparative information.

On 01 April 2019, the Company has recognised a lease liability measured at the present value of the remaining lease payments and Right-of-Use (ROU) assets at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at 01 April 2019. This has resulted in recognizing a "Right of use assets" of ₹ 437.21 million and a corresponding "Lease liability" of ₹ 452.79 million by adjusting retained earnings net of taxes of ₹ 10.51 million as on 01 April 2019.

Consequently, in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from "Rent" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result, the "Rent", "Depreciation and amortisation expense" and "Finance cost" of the current period is not comparable to the earlier periods.

To the extent the performance of the current period is not comparable with previous year, the reconciliation of above effect on Consolidated statement of profit and loss for the year ended 31 March 2020 is as under:

Adjustment to increase/(decrease) in net profit	Year ended 31st March 2020 comparable basis	Changes due to IndAS 116	Year ended 31st March 2020 as reported
Rent	156.07	(84.53)	71.54
Depreciation and amortization expenses	275.70	78.71	354.41
Finance Cost	159.61	20.03	179.64
<b>Profit before tax</b>	<b>758.24</b>	<b>(14.20)</b>	<b>744.04</b>
Less: Tax expense	121.46	4.96	116.50
<b>Profit after tax</b>	<b>636.78</b>	<b>(9.24)</b>	<b>627.54</b>

(ii) The following is the break-up of current and non-current lease liabilities:

Particular	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
Current lease liabilities	72.42	-
Non-current lease liabilities	346.62	-
<b>Total</b>	<b>419.04</b>	-

(iii) Lease commitments are the undiscounted future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases with term less than twelve months and leases of low value assets.

Particular	(INR in millions)	
	As at 31st March 2020	
Payable within one year	72.42	
Payable between one to five years	207.09	
Payable after five years	139.53	
<b>Total</b>	<b>419.04</b>	

## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

UNIPARTS GROUP

Annual Report 2019-20

### 31 DISCLOSURE ON EMPLOYEE BENEFITS

Disclosure is hereby given in pursuant to Ind AS19 "Employee Benefits".

#### Defined Benefit Plan - Gratuity (Funded)

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particular	Year ended 31st March 2020	Year ended 31st March 2019
Expected Rate of Return on Plan Assets	6.59%	7.48%
Discounting Rate of Uniparts India Limited	6.59%	7.48%
Discounting Rate of Gripwel Fasteners Private Limited	6.24%	7.48%
Salary Escalation rate- Staff	7.94%	7.00%
Salary Escalation rate- Worker	6.00%	8.00%
Rate of Employee Turnover- Staff	20.00%	11.40%
Rate of Employee Turnover- Worker	8.00%	10.20%
Mortality Rate During Employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Mortality Rate After Employment	N.A.	N.A.

Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:

Particular	Year ended 31st March 2020	(INR in millions) Year ended 31st March 2019
Present value of obligation as at the beginning of the year	174.65	145.26
Interest cost	12.97	11.14
Current service cost	16.20	14.18
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	0.07
(Liability Transferred Out/ Divestments)	-	(0.07)
(Benefit Paid Directly by the Employer)	(17.61)	(6.71)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	1.12	(2.93)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.83)	7.28
Actuarial (Gains)/Losses on Obligations - Due to Experience	(10.14)	6.43
<b>Present Value of Benefit Obligation at the End of the year</b>	<b>176.36</b>	<b>174.65</b>

Changes in the fair value of plan assets recognised in the balance sheet are as follows:

Particular	Year ended 31st March 2020	(INR in millions) Year ended 31st March 2019
Opening fair value of plan assets	19.45	17.88
Interest Income	1.46	1.37
Contributions	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognized in Interest Income -Gain / (Loss)	(0.39)	0.20
<b>Closing fair value of plan assets</b>	<b>20.52</b>	<b>19.45</b>

The amounts to be recognised in the Balance Sheet

Particular	Year ended 31st March 2020	(INR in millions) Year ended 31st March 2019
Present value of obligation as at the end of the year	(176.39)	(174.68)
Fair value of plan assets as at the end of the year	20.51	19.45
Funded Status (Surplus/ (Deficit))	(155.88)	(155.23)
<b>Net asset / (liability) to be recognised in balance sheet</b>	<b>(155.88)</b>	<b>(155.23)</b>

Net Interest cost (Income/Expense)

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Present Value of Benefit Obligation at the Beginning of the year	174.68	145.26
(Fair Value of Plan Assets at the Beginning of the year)	(19.45)	(17.88)
Net Liability/(Asset) at the Beginning	155.23	127.38
Interest Cost	12.97	11.14
(Interest Income)	1.25	(1.37)
<b>Net Interest Cost for Current year</b>	<b>14.22</b>	<b>9.77</b>

Expense recognised in the statement of profit and loss

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Current service cost	16.20	14.18
Net Interest (Income) / Expense	11.51	9.77
Past Service Cost	-	-
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>27.71</b>	<b>23.95</b>

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Actuarial (Gains)/Losses on Obligation For the year	(9.85)	10.80
Return on Plan Assets, Excluding Interest Income	0.39	(0.20)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>(9.46)</b>	<b>10.60</b>

Reconciliation of net Liability/(Asset) recognised:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening Net Liability	155.22	127.37
Expenses Recognized in Statement of Profit or Loss	27.73	23.95
Expenses Recognized in OCI	(9.45)	10.61
Net Liability/(Asset) Transfer In	-	0.07
Net (Liability)/Asset Transfer Out	-	(0.07)
(Benefit Paid Directly by the Employer)	(17.61)	(6.71)
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) For the year Recognized in Balance Sheet</b>	<b>155.89</b>	<b>155.22</b>

The major categories of plan assets are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Insurance fund	20.51	19.45

Other Details

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
No of Active Members	2,135	2,382
Per Month Salary For Active Members	34.94	39.29
Weighted Average Duration of the Projected Benefit Obligation	7.00	8.00
Average Expected Future Service	7.00	7.00
Projected Benefit Obligation (PBO)	176.39	155.23
Prescribed Contribution For Next Year (12 Months)	29.25	32.84

Maturity Analysis of Projected Benefit Obligation: From the Fund

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	20.39	14.98
2nd Following Year	18.66	14.48
3rd Following Year	16.48	15.08
4th Following Year	15.77	14.23
5th Following Year	13.73	15.22
Sum of Years 6 To 10	54.21	60.86

Maturity Analysis of Projected Benefit Obligation: From the Employer

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	8.09	9.41
2nd Following Year	5.13	3.61
3rd Following Year	4.43	4.57
4th Following Year	3.71	3.63
5th Following Year	3.70	3.28
Sum of Years 6 To 10	12.72	14.40

Sensitivity analysis

A) Impact of change in discount rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	9.21	10.39
Increase by 1%	(8.27)	(9.29)
	0.94	1.10

B) Impact of change in salary increase rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	(8.08)	(9.00)
Increase by 1%	8.80	9.83
	0.72	0.83

C) Impact of change in withdrawal rate when base assumption is decreased/increased present value of obligation

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Decrease by 1%	0.12	0.12
Increase by 1%	(0.13)	(0.12)
	(0.01)	-

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Since investment is with insurance company, Assets are considered to be secured.

The following are the expected Interest cost for Next year:

Particular	(INR in millions)	
	Current Period	Previous Period
Present Value of Benefit Obligation at the End of the year	176.39	172.68
(Fair Value of Plan Assets at the End of the year)	(20.51)	(19.45)
Net Liability/(Asset) at the End of the year	155.88	153.23
Interest Cost	11.50	12.97
(Interest Income)	(1.35)	(1.46)
Net Interest Cost for Next Year	10.15	11.51

The following are the expected expenses to be recognised in the Statement of Profit or Loss for Next Year:

Particular	(INR in millions)	
	Current Period	Previous Period
Current Service Cost	14.31	16.20
Net Interest Cost	10.15	11.51
(Expected Contributions by the Employees)	-	-
Expenses Recognized	24.46	27.72

**Defined Benefit Plan - Leave Encashment (Unfunded)**

The leave obligations cover the Company's liability for sick and earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount for the year ended March 31, 2020 is ₹ 9.46 million and for the year ended March 31, 2019 is ₹ 12.59 million has been recognised in the statement of profit and loss.

Particulars	(INR in millions)			
	Current Period		Previous Period	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	25.73	19.70	22.62	20.85
<b>Total</b>	<b>25.73</b>	<b>19.70</b>	<b>22.62</b>	<b>20.85</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 32 DISCLOSURE ON EMPLOYEE SHARE BASED PAYMENT

Disclosure is hereby given in pursuant to Ind AS 102 "Share Based Payment".

#### (a) Scheme detail

The Company's ESOP scheme "Uniparts Employees Stock Option Plan, 2007" is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees. The scheme provides that subject to continued employment with the Company, specified employees of the Company and its subsidiaries are granted an option to acquire equity shares of the Company that may be exercised within a specified period. Each option comprises of one equity share which will vest on annual basis in equal proportion over a period of three years (except Grant-11 which shall vest 100% on the expiry of 12 months from the grant date) and shall be capable of being exercised within a period of fifteen years from the date of the specified grant. Each option granted under the above plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee. The Company has provided an interest free loan amounting to ₹ 55.20 million to the Trust to subscribe to 350400 Shares issued at ₹ 135 per share and right issue of 175200 Shares at ₹ 45 per share. The ESOP Trust has since subscribed to the Company's shares. As per IND AS 102 "Share-based Payment" and the Guidance Note on Accounting for Employee Share Based payments issued by the Institute of Chartered Accountants of India, the amount of loan equivalent to the face value of securities subscribed ₹ 5.14 million has been deducted from share capital account and the balance part of the loan representing the amount of share premium paid for the shares subscribed ₹ 50.06 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2020 is ₹ 97.18 million. The repayment of loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options. The Company believes that the options would be exercised by the employees and the ESOP Trust would be able to repay the loan based on the price received by the Trust there against. On that basis, the loan to the ESOP Trust is considered good of recovery.

As per the Scheme, the Company has granted 1,14,833 options @ ₹ 135/- per option (Grant - 1), 42,764 options @ ₹ 135/- per option (Grant - 2), 25,000 options @ ₹ 135/- per option (Grant - 3), 86,592 Right Issue @ ₹ 45/- per share, 28,912 options @ ₹ 105/- per option (Grant - 4), 26,209 options @ ₹ 105/- per option (Grant - 5), 28,825 options @ ₹ 105/- per option (Grant - 6), 11,255 options @ ₹ 105/- per option (Grant - 7), 5,000 options @ ₹ 105/- per option (Grant - 8), 21,465 options @ ₹ 105/- per option (Grant - 9), 324,637 Bonus Issue @ ₹ Nil per share, 35,102 options @ ₹ 52.50 per option (Grant - 10), 52,948 options @ ₹ 52.50 per option (Grant - 11), 292,500 options @ ₹ 52.50 per option (Grant - 12) and 25,000 options @ ₹ 52.50 per option (Grant - 13) in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, to the selected employees of the Company. The method of settlement is by issue of equity shares to the selected employees who have accepted the option.

Period within which options will vest to the participants

Grant-1 to Grant-10 and Grant-12 and Grant-13

2 years from the date of Grant of Options 33%

3 years from the date of Grant of Options 33%

4 years from the date of Grant of Options 34%

Grant-11

12 months from the date of Grant of Options 100

#### (b) Share Based Payment activity under Scheme 2007 is as follows

Particular	Year ended 31st March 2020	Year ended 31st March 2019
Outstanding at the beginning of the year	936,488	643,988
Bonus Issue during the year	-	-
Granted during the year	25,000	292,500
Forfeited/Surrendered during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	961,488	936,488
Vested and Exercisable at the end of the year	643,988	643,988

(c) Share options outstanding at the end of the year

Option Details		Options Outstanding		Remaining contractual life		Exercise price	Weighted average fair value of Options on the date of Grant
Option series	Option Grant date	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019		
Grant-1	08-02-07	89,754	89,754	-	-	135.00	96.45
Grant-2	27-03-08	20,357	20,357	-	-	135.00	114.02
Grant-3	27-03-09	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25-03-11	22,785	22,785	-	-	105.00	56.69
Grant-5	03-03-12	11,268	11,268	-	-	105.00	77.63
Grant-6	12-01-13	22,535	22,535	-	-	105.00	67.19
Grant-7	25-09-13	-	-	-	-	105.00	41.10
Grant-8	23-12-13	5,000	5,000	-	-	105.00	47.08
Grant-9	15-02-14	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	285,720	285,720	-	-	-	-
Grant-10	23-08-14	19,600	19,600	-	-	52.50	32.50
Grant-11	30-06-15	52,948	52,948	-	-	52.50	38.26
Grant-12	23-11-18	292,500	292,500	2.65	3.65	52.50	53.34
Grant-13	07-08-19	25,000	-	3.33	-	52.50	43.84
		<b>961,488</b>	<b>936,488</b>				

The Company follows the Fair Market Value calculated on Black Scholes Method to account for compensation expenses arising from issuance of stock options to the employees.

(d) Inputs in the model

Option series	Grant 13	Grant 12
Grant date share price	79.11	84.91
Exercise price	52.50	52.50
Expected volatility	14.74%	14.83%
Option Life	8.50	8.00
Dividend yield	0.93%	0.68%
Risk-free interest rate	6.73%	7.92%

(e) Compensation expenses arising on account of the share based payments

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Expenses arising from equity – settled share-based payment transactions	5.85	1.99

## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

UNIPARTS  
INDIA LIMITED

Annual Report 2019-20

### 33 SEGMENT INFORMATION

The Company operates primarily in the business of manufacturing of Linkage Parts and Components for Off-Highway Vehicles.

Chief Operating Decision Maker (CODM), evaluates the company's performance, based on the analysis of the various performance indicators of the company, the Chief Operating Decision Maker (CODM) has decided that there is no reportable segment for the Company.

#### Revenue information based on location of the customers

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>Information in respect of geographical areas</b>		
Segment revenue from external customers :		
Within India	1,300.83	1,545.19
Outside India (Excluding deemed export)	7,589.18	8,854.50
	<b>8,890.01</b>	<b>10,399.68</b>

The company disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The following table illustrates the disaggregation disclosure by primary geographical market, major product line and timing of revenue recognition in accordance with Ind AS 115.

#### Primary geographical markets

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
USA	5,190.10	5,958.65
Asia Pacific	166.75	219.64
Europe	1,650.29	1,916.43
India	1,146.42	1,339.34
Japan	420.89	484.79
Rest of the World	151.65	250.60
	8,726.10	10,169.45
Sale of Scrap	163.91	230.23
Sale of Service	17.36	-
<b>Total Revenue</b>	<b>8,907.37</b>	<b>10,399.68</b>

#### Major Product line

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
3PL	4,247.81	5,018.72
FAB	61.10	32.42
HYD	16.30	24.30
PMP	4,341.23	4,982.98
PTO	63.51	104.57
Others	-3.85	6.46
	8,726.10	10,169.45
Sale of Scrap	163.91	230.23
Sale of Service	17.36	-
<b>Total Revenue</b>	<b>8,907.37</b>	<b>10,399.69</b>

## Notes



Uniparis India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 34 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED, ACT 2006)

The Ministry of Corporate Affairs has issued notification no.G.S.R 1022(E) dated October 11, 2018 which prescribes certain disclosures regarding amount payable to micro enterprises and small enterprises. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received from the vendors. The necessary information in this regard has been given hereunder :-

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
Principal	146.36	125.90
Interest	0.41	0.17
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the said Act	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.41	0.17
(v) 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.	0.04	-

### 35 GOVERNMENT GRANT

Uniparis India Limited has availed tax and duty benefit in the nature of exemption from payment of Customs Duty, on its procurements with respect to Plant and Machinery. The said benefits were availed which entitled Uniparis India Limited to procure goods without payment of taxes and duties of amount for ₹ 3.95 million under Zero Duty EPCG Scheme.

In accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance" Uniparis India Limited has grossed up the value of property, plant and equipment by the amount of tax and duty benefit availed considering the same as government grant. The amount of said government grant has been added to the value of property, plant and equipment with corresponding credit to deferred government grant, the amount of grant shall be amortized on a systematic basis in line with depreciation to be charged on property, plant and equipment.

Deferred government grant is disclosed in the financial statements as follows :

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Opening Balance	3.94	3.95
Grant recognized during the year	-	205.97
Less : Amount recognized in statement of profit and loss*	(0.40)	(205.98)
Closing Balance	3.54	3.94
Non-current portion	3.28	3.68
Current portion	0.26	0.26

\* There is no unfulfilled condition or contingencies attached to these grants.

## Notes



## Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 36 RELATED PARTY DISCLOSURE

- (i) Name of the related parties, related party relationship and related party with whom transactions have been taken place during the year.

#### (A) Related parties where control exists

##### (a) Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	100.00	100.00
Gripwel Fasteners Private Limited	India	100.00	100.00
Uniparts India GmbH	Germany	100.00	100.00

##### (b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts Olsen Inc.	USA	100.00	100.00

#### (B) Enterprises over which Key Managerial Personnel and their relatives exercise significant influence:

SKG Engineering Pvt. Ltd.  
Sweaty Spirit Apparel Limited (Formerly known as Ace Tractor Parts Ltd.)  
Avid Maintenance LLP (Formerly known as Avid Maintenance Pvt. Ltd.)  
SGA Trading Pvt. Ltd.  
Tima Trading Pvt. Ltd.  
Amazing Estates Pvt. Ltd.  
Vivify Net Pvt. Ltd.  
GKP Farms Pvt. Ltd.  
Silveroak Estate Pvt. Ltd.  
Uniparts Engineering Pvt. Ltd.  
Charisma Homes LLP (Formerly known as Charisma Homes Pvt. Ltd.)  
Bluebells Homes Pvt. Ltd. (Formerly known as Oilintec Pvt. Ltd.)  
Gripwel Fasteners (Partnership Firm)  
Farmparts Company (Partnership Firm)  
Soni Holdings (Partnership Firm)  
Soni Foundation  
Ninety Hospitality LLP  
Sepoy Beverages LLP  
P Soni Family Trust  
Indento International (Partnership Firm)  
Paramjit Singh (HUF)  
Gurdeep Soni (HUF)  
Beekay Travels Pvt. Ltd.  
Paper Bag Entertainment Inc.  
Diamante (Partnership Firm)  
Leon India (Partnership Firm)

**(C) Key Managerial Personnel / Individuals having significant influence on the Company:**

Gurdeep Soni-Chairman & Managing Director  
Paramjit Singh Soni- Vice Chairman & Director  
Herbert Klaus Coenen-Director  
Madhukar Rangnath Umarji- Independent Director  
Sharat Krishan Mathur- Independent Director  
Parmeet Singh Kalra- Independent Director  
Alok Nagory- Independent Director  
Shradha Suri- Independent Director  
Sanjiv Kashyap - Chief Financial Officer (till: 27th May 2019)  
Munish Sapra- Chief Financial Officer  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Mukesh Kumar - Company Secretary  
Rini Kalra (Head M&A / Funding)  
Divya Aggarwal (Company Secretary) (till: 17th April 2020)  
Deepika Sharma (Company Secretary) (w.e.f: 12th May 2020)

**(D) Relatives of Key Managerial Personnel \***

Angad Soni - Son of Gurdeep Soni  
Pamela Soni - Wife of Gurdeep Soni  
Karan Soni - Son of Paramjit Singh Soni  
Meher Soni - Daughter of Paramjit Singh Soni  
Arjun Soni - Son of Gurdeep Soni  
\*Relatives of Key Managerial Personnel with whom transactions have taken place during the year

(ii) The Key Managerial Personnel, their Relatives and Associates have given certain personal guarantees and collaterals for the loans/other credit facilities taken by the Company from various banks/financial institutions:

S No	Name of Bank	As at 31st March 2020	As at 31st March 2019	Personal Guarantee	Collateral Security
1	CitiBank NA	700.00	700.00	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	
2	Kotak Mahindra Bank Limited	561.30	698.50	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	Mortgage by way of first pari-passu charge on the Apartment # K-0401, 4th Floor, Tower K, Phase IV, Central Park-1, Gurgaon, owned by the Mr. Gurdeep Soni (KMP) and Mrs. Pamela Soni (Relative of KMP).
3	IndusInd Bank	-	168.80	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	Exclusive charge on the Apartment # K-0401, 4th Floor, Tower K, Phase IV, Central Park-1, Gurgaon, owned by the Mr. Gurdeep Soni (KMP) and Mrs. Pamela Soni (Relative of KMP).
4	DBS Bank	400.00	400.00	Gurdeep Soni (KMP) & Paramjit Singh Soni (KMP)	

## (iii) Outstanding balances

Particulars	(INR in millions)	
	As at 31st March 2020	As at 31st March 2019
<b>1 Uniparts ESOP Trust</b>		
-In Loan Account	98.28	97.18

## Disclosure in respect of Related Party Transactions during the year\*:

Particulars	Relationship	(INR in millions)	
		Year ended 31st March 2020	Year ended 31st March 2019
<b>1 Rent Paid</b>			
	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence		
Soni Holdings		1.84	1.87
		<b>1.84</b>	<b>1.87</b>
<b>2 Sitting fees</b>			
Alok Nagory	Independent Director	0.05	0.20
Madhukar Rangnath Umarji	Independent Director	0.16	0.39
Sharat Krishan Mathur	Independent Director	0.18	0.61
Shradha Suri	Independent Director	0.05	0.15
Parmeet Singh Kalra	Independent Director	0.02	0.08
		<b>0.46</b>	<b>1.43</b>
<b>3 Dividend Paid</b>			
Angad Soni	Relative of Key Managerial Personnel	0.06	0.05
Gurdeep Soni	Key Managerial Personnel	17.95	14.96
Pamela Soni	Relative of Key Managerial Personnel	2.38	1.98
Arjun Soni	Relative of Key Managerial Personnel	0.01	0.01
Paramjit Singh Soni	Key Managerial Personnel	1.20	6.60
Meher Soni	Relative of Key Managerial Personnel	1.80	5.20
Karan Soni	Relative of Key Managerial Personnel	1.44	5.20
Rini Kalra	Head M&A / Funding	0.01	0.01
		<b>24.85</b>	<b>34.01</b>
<b>4 Commission</b>			
Madhukar Rangnath Umarji	Independent Director	0.30	0.60
		<b>0.30</b>	<b>0.60</b>
<b>5 Salary and Allowances</b>			
Angad Soni	Relative of Key Managerial Personnel	-	2.16
		<b>-</b>	<b>2.16</b>
<b>6 Key Managerial Person Remuneration**</b>			
Sanjiv Kashyap	Chief Financial Officer	1.27	10.15
Sudhakar Simhachala Kolli	Group Chief Operating Officer	16.79	17.97
Mukesh Kumar	Company Secretary	6.06	5.42
Munish Sapra	Chief Financial Officer	10.29	2.43
Rini Kalra	Head M&A / Funding	6.60	12.70
Gurdeep Soni	Key Managerial Personnel	23.13	18.90
Paramjit Singh Soni	Key Managerial Personnel	37.22	36.71
Herbert Klaus Coenen	Director	20.19	16.99
Divya Aggarwal	Company Secretary	1.25	1.24
		<b>122.80</b>	<b>122.51</b>

<b>7 ESOP Expenses to Key Managerial Person***</b>			
Mukesh Kumar	Company Secretary	0.10	0.03
Sudhakar Simhachala Kolli	Group Chief Operating Officer	1.91	0.67
Rini Kalra	Head M&A / Funding	1.91	0.67
		<b>3.92</b>	<b>1.37</b>

Notes:

- \* The Company has international and specified domestic transactions with related parties. The management believes that it maintains documents as prescribed by the Income Tax Act, 1961 to prove that these transactions are at arm's length and the aforesaid legislation will not impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- \*\* Excludes contribution to employee retirement/post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis
- \*\*\* Based on ESOP valuation on the date of grant, the fair value of grant is charged to statement of profit & loss on the basis of vesting period.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

37 The consolidated financial statements include results of all the subsidiaries of Uniparts India Limited and inter alia their subsidiaries & Associates. The names, country of incorporation or residence, proportion of ownership interest and reporting dates are as under:-

(a) Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	100.00	100.00
Gripwel Fasteners Private Limited	India	100.00	100.00
Uniparts India GmbH	Germany	100.00	100.00

(b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2020	% of voting power held as at March 31, 2019
Uniparts Olsen Inc.	USA	100.00	100.00

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as subsidiary/ Associates/ Joint Venture.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profits	Amount	As % of Consolidated Other Compreh	Amount	As % of Consolidated Total Compreh	Amount
<b>Parent:</b>								
Uniparts India Limited								
Balance as at March 31, 2020	58.80%	2729.47	25.12%	157.62	68.17%	(30.50)	21.81%	127.12
Balance as at March 31, 2019	62.44%	2640.56	33.48%	234.44	-6.70%	4.90	38.16%	239.34
<b>Subsidiaries:</b>								
- Indian								
1	Gripwel Fasteners Private Limited							
Balance as at March 31, 2020	12.77%	592.60	19.98%	125.41	31.83%	(14.24)	19.07%	111.17
Balance as at March 31, 2019	11.45%	484.06	22.88%	160.21	3.33%	(2.43)	25.16%	157.78
- Foreign								
1	Uniparts USA Limited							
Balance as at March 31, 2020	21.48%	997.01	26.35%	165.34	0.00%	0.00	28.37%	165.34
Balance as at March 31, 2019	6.02%	254.50	17.38%	121.71			19.41%	121.71
2	Uniparts Olsen Inc.							
Balance as at March 31, 2020	30.87%	1433.19	21.97%	137.90	0.00%	0.00	23.66%	137.90
Balance as at March 31, 2019	23.67%	1001.09	25.12%	175.89			28.04%	175.89
3	Uniparts Europe B.V.							
Balance as at March 31, 2020	1.15%	53.26	0.01%	0.05	0.00%	0.00	0.02%	0.12
Balance as at March 31, 2019	-0.85%	(35.76)	-0.02%	(0.15)			-0.02%	(0.15)

<b>4</b>	<b>Uniparts India GmbH</b>								
	Balance as at March 31, 2020	2.23%	103.49	6.50%	40.81	0.00%	0.00	6.99%	40.74
	Balance as at March 31, 2019	1.56%	66.11	3.31%	23.18			3.70%	23.18
<b>Adjustments arising out of consolidation</b>									
	Balance as at March 31, 2020	-27.29%	(1266.97)	0.07%	0.41	0.00%	0.00	0.07%	0.41
	Balance as at March 31, 2019	-4.30%	(181.69)	-2.15%	(15.05)	103.38%	(75.51)	36.68%	(90.56)
	Total after elimination on account of consolidation-March 31, 2020	100.00%	4642.04	100.00%	627.54	0.00%	(44.74)	100.00%	582.80
	Total after elimination on account of consolidation-March 31, 2019	100.00%	4228.87	100.00%	700.23	100.00%	(73.04)	100.00%	627.19

## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2020

Annual Report 2019-20

### 38 HEDGING ACTIVITIES AND DERIVATIVES

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts for the purpose of hedging its currency risks. These contracts are not intended for trading or speculation. The foreign exchange forward contracts are designated as cash flow hedges.

#### Cash flow hedges

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable.

While the Company also enters into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss. Notional amounts of outstanding forward contracts are as follows :

S No	Name of Bank	(INR in millions)					
		As at 31st March 2020		As at 31st March 2019			
		Foreign Currency	INR	Foreign Currency	INR		
1	Forward Contract	USD	Hedging of highly probable sales	20.03	1,483.41	7.10	512.87

The cash flow hedges of the expected future sales during the year ended March 31, 2020 were assessed to be effective and a net unrealised loss of ₹ 36.12 million, with a deferred tax assets of ₹ 12.15 million relating to the hedging instruments is included in OCI. Comparatively, the cash flow hedges of the expected future sales during the year ended March 31, 2019 were assessed to be effective and a net unrealised gain of ₹ 9.56 million, with a deferred tax liability of ₹ 5.14 million was included in OCI in respect of these contracts.

The amount removed from OCI during the year and recognised in the statement of profit & loss for the year ended March 31, 2020 is detailed in Note 28 totaling ₹ 95.64 million (net of tax) [March 31, 2019: ₹ 1.40 million (net of tax)]. The amounts retained in OCI at March 31, 2020 are expected to mature and affect the statement of profit and loss till year ended March 31, 2021.

Reclassifications to profit or loss during the year gains or losses included in OCI are shown in Note 28.

### 39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities other than derivatives, comprise loans and borrowings, trade payables, employee related payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loan to employees, trade receivables & other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Audit committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Audit committee provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by experienced members from the senior management who have the relevant expertise, appropriate skills and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are subject to commodity price risk, foreign exchange risk and interest rate risk.

The financial instruments that are affected by these include loans and borrowing, deposits, available-for-sale investments and derivative financial instruments. We, from time to time, undertake analysis in relation to the amount of our net debt, the ratio of fixed to floating interest rates of our debt and our financial instruments that are in foreign currencies. We use derivative financial instruments such as foreign exchange contracts to manage our exposures to foreign exchange fluctuations.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The interest rate on remaining loans (except vehicle loans), although fixed, is subject to periodic review by lending banks / financial institutions in relation to their respective base lending rates, which may vary over a period result of any change in the monetary policy of the Reserve Bank of India.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>Variable rate borrowings</b>		
Long Term	-	-
Short Term	2,158.60	2,335.11
<b>Total Variable rate borrowings</b>	<b>2,158.60</b>	<b>2,335.11</b>
<b>Fixed rate borrowings</b>		
Long Term	406.37	503.95
Short Term	42.65	-
<b>Total fixed rate borrowings</b>	<b>449.02</b>	<b>503.95</b>
<b>Total</b>	<b>2,607.62</b>	<b>2,839.06</b>

#### Interest rate sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on profit or loss before tax may be as follows:

Particular	(INR in millions)	
	Effect on profit and equity	
	Year ended 31st March 2020	Year ended 31st March 2019
Interest rate - increase by 100 basis points (100 bps)*	(21.59)	(23.35)
Interest rate - decrease by 100 basis points (100 bps)*	21.59	23.35

\* Holding all other variable constant

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

#### c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export revenue and long term foreign currency borrowings.

The Company have long term agreements with its major customers, the company face foreign exchange risk in respect of (I) our foreign currency loans, in respect of which selectively hedge currency exchange rate risk, (ii) currency mismatches between income and expenditures, which the company seek to manage as much as possible by matching income currency to expenditure currency, and (iii) currency translation for the purpose of preparing consolidated financial statements, on account of global operations.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particular	Currency	Description	(INR in millions)	
			Year ended 31st March 2020	Year ended 31st March 2019
a) Receivables	USD	Sale	6.71	1.79
	EUR	Sale	-	4.23
	JPY	Sale	13.23	22.42
	AUD	Sale	0.18	0.41
	GBP	Sale	0.09	0.38
b) Payables	USD	Purchase	0.24	0.64
	EUR	Purchase	0.01	0.02

c) Loans	USD	PCFC Loan/PSFC Loan	-	12.71
	EUR	PCFC Loan/PSFC Loan	12.22	-
	USD	FCTL Loan	1.20	2.23
d) Bank	USD	EEFC	-	-
e) Other Receivable	USD		0.02	0.02
	EUR		-	-
f) Other Payables	USD		-	0.01
	JPY		0.97	4.22

#### Foreign currency sensitivity

With respect to the above unhedged exposure the sensitivity is as follows:

Particular	(INR in millions)	
	Effect on profit and equity	
	Year ended 31st March 2020	Year ended 31st March 2019
INR/USD-Increase by 5%	19.94	(47.63)
INR/EUR-Increase by 5%	(50.81)	16.33
INR/GBP-Increase by 5%	0.40	1.70
INR/JPY-Increase by 5%	0.42	0.57
INR/AUD-Increase by 5%	0.42	1.00
INR/USD-Decrease by 5%	(19.94)	47.63
INR/EUR-Decrease by 5%	50.81	(16.33)
INR/GBP-Decrease by 5%	(0.40)	(1.70)
INR/JPY-Decrease by 5%	(0.42)	(0.57)
INR/AUD-Decrease by 5%	(0.42)	(1.00)

#### d) Commodity price risk

Commodity price risk is the possibility of impact from changes in the prices of raw materials such as steel, which we use in the manufacture of our products. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times.

#### Commodity price sensitivity

As the Company has a back to back pass through arrangements for volatility in raw material prices there is no impact on the profit and loss and equity of the Company.

#### e) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, other receivables and deposits, foreign exchange transactions and other financial instruments.

In relation to credit risk arising from financing activities, we monitor our credit spreads and financial strength on a regular basis, and based on our on-going assessment of counterparty risk, we adjust our exposure to various counterparties.

For the year ended March 31, 2020, and year ended March 31, 2019 our provision for doubtful debts is amounted to ₹ 8.49 million and ₹ 6.14 million respectively.

#### f) 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 and ongoing business.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(INR in millions)

Particular	Year ended 31st March 2020	Year ended 31st March 2019
Total Committed working capital limits from Banks	2,954.42	3,037.65
Less: Utilized working capital limit	2,158.60	2,816.76
<b>Unutilized working capital limit</b>	<b>795.82</b>	<b>220.89</b>

**g) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>1 Long Term Borrowings</b>		
Upto 1 year	190.25	164.38
Between 1 to 5 years	216.12	475.16
Over 5 years	-	-
<b>2 Short Term Borrowings</b>		
Upto 1 year	2,158.60	2,816.76
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>3 Trade Payables</b>		
Upto 1 year	585.39	733.52
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>Total</b>	<b>3,150.36</b>	<b>4,189.82</b>

**40 Financial Instruments by category and Fair value hierarchy**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particular	Level of Input	Carrying amount		Fair value	
		As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
<b>Financial Assets</b>					
Loan to Employees		1.70	4.90	1.70	4.90
Security Deposits		50.34	51.32	50.34	51.32
Derivative instruments	Level 1	-	14.70	-	14.70
Trade Receivables		1,283.20	1,485.29	1,283.20	1,485.29
Cash & Bank Balances		169.55	150.92	169.55	150.92
Other Receivables		0.33	0.40	0.33	0.40
<b>Financial Liabilities</b>					
Borrowings		2,564.97	3,456.29	2,564.97	3,456.29
Trade Payables		585.39	733.52	585.39	733.52
Derivative instruments	Level 1	54.49	-	54.49	-

The management assessed that the fair value of cash and cash equivalent, trade receivables, derivative instruments, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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. The following methods and assumptions were used to estimate the fair values: .

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of other non-current financial liabilities and security deposits, is estimated by discounting future cash flows using 10 year government bond rates. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates.
- (iii) Further the management assessed that the fair value of loan to employees approximate their carrying amounts largely due to discounting at rates which are an approximation of current lending rates.
- (iv) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and forward rate curves of the underlying. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. As at March 31, 2020 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

**Reconciliation of fair value measurement of financial assets classified as FVTOCI:**

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
<b>Derivatives</b>		
Forward Currency Contract	-	14.70

**41 Capital management**

The capital includes issued equity capital and other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to call loans and borrowings in part or in whole. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Particular	(INR in millions)	
	Year ended 31st March 2020	Year ended 31st March 2019
Borrowings	2,564.97	3,456.29
Less: cash and other liquid assets	169.55	150.92
Net Debt	2,395.42	3,305.37
Equity	4,642.04	4,228.86
<b>Net Debt/Equity ratio</b>	<b>0.52</b>	<b>0.78</b>

#### 42 Treatment in respect of Insurance, Fire and Other Claims

Revenue in respect of Insurance, Fire and Other Claims are recognized to the extent it has been approved by the insurance companies and it is reasonably certain that the ultimate collection will be made.

During the year under audit, incidents of fire had occurred in plants at Ludhiana and Vizag locations in India and suffered damages to the property, plant, stocks and equipments. Further, incident of fire has also taken place at USA plant of Uniparts Olsen Inc. (step-down subsidiary).

##### Related to India Plants

Insurance claims in respect of fire incidents taken place at plants of Ludhiana and Vizag are still under process and claims have not yet been finalized by the Insurance Companies till the reporting date. However, in case of fire at Ludhiana plant, the concerned insurance company has released the part payment of ₹ 2.10 million on ad hoc basis which has been reported under current liabilities as "Other Liabilities in Note 16 " and the assets destroyed under fire have been written off.

##### Related to USA Plant

The step-down subsidiary had an incident of fire in the plant and suffered property damages. Since the claim process is in progress as of March 31, 2020, the step-down subsidiary has recognized the claim to the extent it has been approved by the insurance company and related expenses have been incurred.

During the year ended March 31, 2020, the step-down subsidiary incurred expenses related to fire amounting to ₹ 218.34 million and has recognized insurance claim recoveries amounting to ₹ 231.79 million. As at March 31, 2020, the step-down subsidiary has receivables for insurance claim amounting to ₹ 60.29 million and advance insurance claim recovery amounting to ₹ 49.24 million.

In addition, the Company is working with insurance company on possible recovery of certain losses and costs for which no insurance recoveries have been recognized.

#### 43 Fund raising expenses

Fund raising expenses as at March 31, 2020 and March 31, 2019, comprise of expenses incurred in connection with the proposed Funds raising exercise, including dilution and furtherance of business, being undertaken by the Company.

#### 44 Impact of Covid-19 on financial statements

In view of the pandemic relating to COVID - 19, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of investments, property plant and equipment, right-of-use assets, trade receivables, other current and financial assets, for any possible impact on the financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact the Consolidated financial statements.

However, the actual impact of COVID - 19 on the financial statements may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

#### 45 Previous Year figures have been re-grouped/ re-arranged/ re-classified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached.

**For Rakesh Banwari & Co.**

Chartered Accountants

Firm Regn. No.009732N

**Rakesh Aggarwal**

(Proprietor)

Membership No. 088193

**Place : New Delhi**

**Date: 29 August 2020**

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Munish Sapra**

(Chief Financial Officer)

**Mukesh Kumar**

(Company Secretary)

[ACS: 17925]



**STATEMENT CONTAINING SALIENT FEATURES OF THE  
FINANCIAL STATEMENT OF SUBSIDIARY COMPANIES  
Form AOC-I**

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 [as amended from time to time])

Statement containing the salient features of the financial statement of the Company's subsidiaries  
Part "A": Subsidiaries

S. No.	Name of the Subsidiary	Reporting Currency	Date of Becoming subsidiary	Exchange Rate as on 31st March, 2018	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Uniparts USA Ltd.	USD	27.01.2005	75.34	604,226,800	392,782,890	1,508,865,040	1,508,865,040	630,419,885	1,430,539,037	198,069,176	32,725,451	165,343,725	-	100%
2	Uniparts Olsen Inc.	USD	11.11.2005	75.34	294,839,474	1,138,347,600	2,840,629,326	2,840,629,326	520,573,041	3,322,960,945	167,273,723	29,373,368	137,900,355	-	100%
3	Uniparts Europe B.V.	Euro	22.01.2007	83.11	91,421,000	(38,164,700)	53,872,425	53,872,425	-	-	123,273	-	123,273	-	100%
4	Gripwel Fasteners Pvt. Ltd.	INR	21.01.2008	1.00	57,598,420	534,999,180	904,192,234	904,192,234	-	1,438,485,579	170,922,363	45,512,485	125,409,878	-	100%
5	Uniparts India GmbH	Euro	18.05.2010	83.11	8,311,000	95,177,798	422,717,664	422,717,664	-	795,734,693	52,186,651	11,450,086	40,736,565	-	100%

Notes:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

**Part "B": Associates and Joint Ventures**

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

During the period under review, Company does not have any Associates or Joint Ventures.

**For and on behalf of the Board of Directors  
Uniparts India Limited**

**Gurdeep Soni**  
[Chairman & Managing Director]  
[DIN: 00011478]

**Paramjit Singh Soni**  
[Vice Chairman & Director]  
[DIN: 00011616]

**Munish Sapra**  
[Chief Financial Officer]

**Mukesh Kumar**  
[Company Secretary]  
[ACS: 17925]

**Rakesh Aggarwal**  
[Proprietor- Rakesh Banwari & Co.]  
[Membership No.: 088193]

# PROXY FORM

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[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



## UNIPARTS INDIA LIMITED

CIN- U74899DL1994PLC061753

**Registered Office:** Gripwel House, Block-5, Sector C 6 & 7, Vasant Kunj, New Delhi - 110 070;  
Tel No:+91 11 2613 7979; Fax No:+91 11 2613 3195

**Corporate Office:** Ground Floor, SB Tower, Plot No. 1A/1, Sector 16A, Noida, Uttar Pradesh- 201 301;  
Tel: +91 120 458 1400; Fax: +91 120 458 1499

**E-mail:** [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com); **Website:** [www.unipartsgroup.com](http://www.unipartsgroup.com)

Annual General Meeting- Wednesday, 30<sup>th</sup> September 2020

Name of the member(s)

Registered Address

E-mail ID:

Folio No./Client ID: 

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DP ID: 

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I/ We, being the member(s) of ..... shares of the above named company, hereby appoint

Name: ..... Email id: ... ..

Address : ..... Signature: .....

*or failing him/her*

Name: ..... Email id: .....

Address: ..... Signature: .....

*or failing him/her*

Name: ..... Email id: .....

Address: .....Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Wednesday, 30<sup>th</sup> September 2020 at 11.30 A.M. at Gripwel House, Block-5, Sector C 6 & 7, Vasant Kunj, New Delhi - 110 070, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions
1.	<b>(Resolution Type: Ordinary Resolution)</b> To receive, consider and adopt: a. the audited financial statements of the Company for the financial year ended 31 <sup>st</sup> March 2020 together with the reports of the Board of Directors and the report of Auditors thereon; and b. the audited consolidated financial statements of the Company for the financial year ended 31 <sup>st</sup> March 2020 and the report of Auditors thereon
2.	<b>(Resolution Type: Ordinary Resolution)</b> To appoint a Director in place of Mr. Paramjit Singh Soni (DIN 00011616), who retires by rotation at this Annual General Meeting for compliance with the requirements of Section 152 of the Companies Act, 2013 and, being eligible, has offered himself for re-appointment.
3.	<b>(Resolution Type: Ordinary Resolution)</b> To re-appoint Mr. Gurdeep Soni as Chairman & Managing Director of the Company
4.	<b>(Resolution Type: Ordinary Resolution)</b> To ratify the Cost Auditors' remuneration for the Financial Year 2020-21.
5.	<b>(Resolution Type : Special Resolution)</b> To approve and to amend the Uniparts Employee Stock option Plan 2007 of the Company.

Signed this..... day of..... 2020

.....  
Signature of shareholder

Affix Revenue Stamp
---------------------------

.....  
Signature of proxy holder(s)

Note:

- I. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the proxy form.

- II. This duly filled, stamped and signed form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

# ATTENDANCE SLIP

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## UNIPARTS INDIA LIMITED

CIN- U74899DL1994PLC061753

**Registered Office:** Gripwel House, Block-5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070;

Tel No:+91 11 2613 7979; Fax No:+91 11 2613 3195

**Corporate Office:** Ground Floor, SB Tower, Plot No. 1A/1, Sector 16A, Noida, Uttar Pradesh- 201 301;

Tel: +91 120 458 1400; Fax: +91 120 458 1499

**E-mail:** [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com); **Website:** [www.unipartsgroup.com](http://www.unipartsgroup.com)

Annual General Meeting – Wednesday, 30<sup>th</sup> September 2020

Registered Folio No./ DP ID No./ Client ID No.

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Number of Shares held

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I certify that I am member/proxy for the member of the Company.

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company held on Wednesday, 30<sup>th</sup> September 2020 at 11.30 A.M at the registered office of the Company at Gripwel House, Block-5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110070.

.....  
Name of the member/proxy  
(in Block letters)

.....  
Signature of the member/proxy

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice of the AGM

# ROUTE MAP - VENUE OF 26<sup>TH</sup>AGM

**Address of Venue:**                   Gripwel House, Block-5,  
Sector C - 6 and 7, Vasant Kunj,  
New Delhi 110070.

**Landmark:**                             Delhi Public School, Vasant Kunj

