

**UNIPARTS**  
**GROUP**

***Uniparts India Limited***

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**Annual Report 2021-22**

# CORPORATE INFORMATION

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## **Board of Directors**

1. Mr. Gurdeep Soni  
Chairman & Managing Director
2. Mr. Paramjit Singh Soni  
Executive Director &  
Vice Chairman
3. Mr. Harjit Singh Bhatia  
Nominee Director
4. Mr. Herbert Coenen  
Non- Executive Director
5. Mr. Alok Nagory  
Independent Director
6. Mr. Sharat Krishan Mathur  
Independent Director
7. Ms. Shradha Suri  
Independent Director
8. Mr. Sanjeev Kumar Chanana  
Independent Director

## **Key Managerial Personnel (KMPs')**

1. **Group Chief Operating Officer**  
Mr. Sudhakar Kolli
2. **Group Chief Financial Officer**  
Mr. Munish Sapra
3. **Company Secretary**  
Mr. Jatin Mahajan

### **Corporate Identity Number:**

U74899DL1994PLC061753

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

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

## **Auditors'**

### **Statutory Auditors**

M/s. Rakesh Banwari and Co.,  
Chartered Accountants

### **Internal Auditors**

- I. Grant Thornton India LLP  
Chartered Accountants
- II. S. Bhalla & Co.  
Chartered Accountants

### **Secretarial Auditors**

M/s. Sanjay Grover & Associates  
Company Secretaries

### **Cost Auditors**

M/s. Vijender Sharma & Co.,  
Cost Accountants,

### **Registrars and Share Transfer Agents**

Link Intime India Private Limited  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai – 400083, Maharashtra, India  
Contact No.: 1800 1020 878

### **Registered Office**

Gripwel House, Block 5, Sector C 6 & 7,  
Vasant Kunj, New Delhi-110070, India  
Tel: +91 11 2613 7979  
Fax: +91 11 2613 3195

### **Corporate Office**

First Floor, Plot No. B 208, A1 and  
A2, Phase- 2, Noida,  
Uttar Pradesh- 201 305, India  
Tel: +91 120 458 1400  
Fax: +91 120 458 1499

# NOTICE OF THE 28<sup>TH</sup> ANNUAL GENERAL MEETING

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Notice is hereby given that the 28<sup>th</sup> Annual General Meeting (“AGM”) of the members of Uniparts India Limited (“the Company”) will be held on Thursday, the 28<sup>th</sup> day of July, 2022 at 11:30 a.m. through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”), to transact the following business:

## 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 2022 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 2022 and the report of Auditors thereon

and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

### 2. To appoint a Director in place of Mr. Herbert Coenen (DIN - 00916001), 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.

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Herbert Coenen (DIN - 00916001), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.

### 3. To appoint M/s. S. C. Varma & Co., Chartered Accountants as statutory auditors of the Company and to fix their remuneration.

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. S. C. Varma & Co., Chartered Accountants, having registration No. 000533N be and are hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years and they shall hold office from the conclusion of this 28<sup>th</sup> Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

## Special Business:

### 4. To ratify the Cost Auditors’ remuneration for the Financial Year 2022-23 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 Lakhs Only) plus applicable tax and reimbursement of out of pocket expenses at actuals, for the financial year ended 2022-23 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.”

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

**Sd/-  
(Jatin Mahajan)  
Company Secretary  
F 6887  
Place: Noida  
Date: June 22, 2022**

**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**  
First Floor, Plot No. B 208, A1 and A2,  
Phase- 2, Noida, Uttar Pradesh- 201 305, India  
Tel: +91 120 458 1400  
Fax: +91 120 458 1499

**Corporate Identity Number**  
U74899DL1994PLC061753

**NOTES:**

1. In view of continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has permitted conduct of Annual General Meeting ('AGM') through video conferencing (VC) or other audio visual means (OAVM) and dispensed personal present of the members at the meeting vide their circular No. 02/2022 dated May 05, 2022, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021 and 21/2021 dated December 14, 2021 prescribed the specified procedures to be followed for conducting the AGM through VC/OAVM. The deemed venue for the meeting shall be the Registered Office of the Company.
2. Pursuant to the provisions of The Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself /herself and the proxy need not be a member of the Company. However, since this AGM will be held through VC/OAVM the members cannot appoint Proxy to attend the AGM and hence Proxy Form and Attendance Slip are not annexed with the Notice. Any Body Corporate is entitled to appoint authorized representative to attend the AGM through VC/OAVM

and participate thereat and cast their votes through e-voting.

3. Corporate Members intending to send their authorized representative(s) to attend the AGM is requested to send to the Company a certified copy of Board Resolution authorizing such representative(s) to attend and vote on its behalf at the AGM of the Company by e-mail at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com).
4. In compliance with the MCA Circulars, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice convening the AGM has been uploaded on the website of the Company at [www.unipartsgroup.com](http://www.unipartsgroup.com).
5. The Explanatory Statement setting out all material facts relating to item no. 3 and 4 of the Notice is annexed hereto, in accordance with the provisions of Section 102 of the Companies Act, 2013, and should be considered as part of the Notice.
6. 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., 22<sup>nd</sup> June 2022. A person who is not a member as on the cut off date should treat this Notice for information purposes only.
7. 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).
8. 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.

**Procedure for joining the AGM through VC / OAVM:**

9. The Company will provide the link for participation of members in AGM through VC / OAVM facility. The same will be shared before the date of AGM.
  - a) Members who would like to express their views or ask questions during the AGM may register themselves by sending email in advance on email id of the Company at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com). The Company reserves the right to restrict the number of questions and

number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

- b) Members will be allowed to attend the AGM with physical presence or through VC / OAVM on first come, first served basis.
  - c) Facility to join the meeting shall be opened fifteen minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM and fifteen minutes after the AGM is over.
  - d) Members, who need assistance before or during the AGM, can contact the Company on email at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com) Kindly quote your name, Folio no. in all your communications.
10. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
11. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
12. Subject to receipt of requisite number of votes, the Resolution proposed in the Notice shall be deemed to be passed on the date of the Meeting.

**Procedure for inspection of documents:**

13. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members. Member who intends to inspect such documents are requested to send an email to Company on email address [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com)

**Voting by Members:**

14. Member to convey his vote by show of hands in the AGM as the total number of members are less than 50. However, if the poll is demanded in the AGM, members are requested to send the email of their decision of voting on the designated e-mail ID of the Company at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com)

**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**

**Additional details pertaining to appointment of Statutory Auditors.**

The members of the Company at the 23<sup>rd</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2017 had appointed M/s. Rakesh Banwari & Co., Chartered Accountants (Firm Registration No. 009732N) as Statutory Auditors of the Company to hold office from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company. Based on the recommendation of the Audit Committee, the Board of Directors of the Company in its meeting dated June 22, 2022 has proposed the appointment of M/s. S. C. Varma & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 Years i.e. from the conclusion of 28<sup>th</sup> Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company at such remuneration as approved by management of the Company to conduct the audit for the F. Y. 2022-23. Further, the Board has been authorized to fix the remuneration on annual basis. There has been no material change in the remuneration as comparison to the outgoing auditors. The Company considered various parameters and after due consideration found M/s. S. C. Varma & Co., Chartered Accounts to be best suited to handle the Audit.

M/s. S. C. Varma is one of the leading firms of Chartered Accounts and Financial Advisors across Delhi, NCR.

The Company has obtained a certificate from the Auditors of the Company that they meet the criteria of independence, eligibility and qualification as prescribed under Section 141 of the Companies Act, 2013

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. 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 2022-23 at a remuneration of ₹ 4,00,000 /- (Rupees Four Lakhs Only), excluding tax (as applicable) and reimbursement of out-of-pocket expenses incurred by the Cost Auditors on actual basis. There is no change in the fees of Cost Auditors in comparison to the previous year.

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.

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

**Sd/-  
(Jatin Mahajan)  
Company Secretary  
F 6887  
Place: Noida  
Date: 22<sup>nd</sup> June, 2022**

## BOARD'S REPORT

Dear Members,

Your directors have pleasure in presenting the 28<sup>th</sup> (Twenty Eighth) Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31<sup>st</sup> March 2022 is summarized below:

#### Standalone Financial Performance:

(Amount in ₹ million)

Particulars	2021-22	2020-21
Net Revenue from Operations	8,826.25	5,911.75
Other Income	325.23	135.63
Total Revenue	9,151.48	6,047.38
Total Expenses	7,661.79	5,487.25
Profit Before Prior Period Items and Tax	1,489.69	560.13
Profit Before Tax	1,489.69	560.13
Total Tax Expenses	277.05	126.18
Profit for the year	1,212.64	433.95
Add: Balance in Profit and Loss Account	1,883.13	1,448.56
Re-measurement of defined benefit obligations (net of tax)	(8.54)	(0.40)
Transfer from SEZ reinvestment reserve	34.96	1.09
Sub-Total	3,122.19	1,883.13
Less: Appropriations	431.69	-
Balance carried to Balance Sheet	2,690.50	1,883.13

The Net Revenue from Operations on standalone basis stood at ₹ 8,826.25 million for the FY 2021-22 in comparison to ₹ 5,911.75 million for the FY 2020-21 which is 49.30% higher vs previous FY. The Company on standalone basis posted Profit after Tax of ₹ 1,212.64 million in FY 2021-22 as against Profit after Tax of ₹ 433.95 million in the previous FY 2020-21 which is 179.44% higher vs previous FY.

#### Consolidated Financial Performance:

(Amount in ₹ million)

Particulars	2021-22	2020-21
Net Revenue from Operations	12,274.24	9,031.42
Other Income	36.15	445.47
Total Revenue	12,310.39	9,476.89
Total Expenses	10,017.23	8,291.28
Profit Before Prior Period Items and Tax	2,293.16	1,185.61
Profit Before Tax	2,293.16	1,185.61
Total Tax Expenses	605.36	273.47
<b>Profit for the year</b>	<b>1,687.80</b>	<b>912.14</b>
Add: Balance in Profit and Loss Account	5,064.20	4,140.57
Re-measurement of defined benefit obligations (net of tax)	(10.33)	0.52
Transfer from Special Economic Zone re-investment reserve	60.86	10.97
Sub-Total	6,802.54	5,064.20
Less: Appropriations	434.88	-
Balance carried to Balance Sheet	<b>6,367.66</b>	5,136.29

The consolidated Net Revenue from Operations stood at ₹ 12,274.24 million for the FY 2021-22 in comparison to ₹ 9,031.42 million for the FY 2020-21 which is 35.91% higher vs previous FY. The Company posted a consolidated Profit after Tax of ₹ 1,687.80 million in FY 2021-22 as against consolidated Profit after Tax of ₹ 912.14 million in the previous FY 2020-21 which is 85.04% higher vs previous FY.

## 2. State of Company's Affairs

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, power take off ("PTO") applications and Fabrications ("FAB"). As a Engineering driven, vertically integrated precision solutions provider to global OHV industry, The Group offers fully integrated engineering solutions from conceptualization, development and validation to implementation and manufacturing of its products.

While the previous year FY 2020-21 was an extraordinary year for the world due to the onset of covid-19 pandemic, the impact of subsequent waves of infections continued even in the reported financial year 2021-22. India encountered its second covid wave early in the fiscal during the months of April and May while several other parts of the world also reported waves of infections at different times of the year. These covid-19 waves continued to cause partial disruptions and localized lockdowns across various parts of the globe. However, on the other hand mass vaccination drives commenced in India as well as many other countries during the reported fiscal. Governments and health administrations of various countries across the world proactively made elaborate arrangements for procuring and

administering vaccines to eligible population in order to ensure that the spread and impact of the pandemic is arrested. As a result of these exceptional endeavors, a large part of the eligible population across the world was fully or partially vaccinated by the end of the fiscal. Therefore, while covid-19 pandemic is not yet fully over, but with growing coverage of vaccinations and greater awareness in larger population worldwide, possibility and extent of disruptions owing to covid-19 pandemic going forward in to next financial year (FY2022-23) are expected to be lower.

During these turbulent and uncertain times, your company's management continued to follow its proactive approach and strategy while keeping following at the core:

1. Protecting Organization - Its People and Facilities
2. Customer Engagement
3. Stabilize Operations & Manage Supply Chain
4. Financial Stability including cash management

The sharp focus ensured that the company was able to leverage its operational strengths and global business model to service the increased demand from its customers across all the key geographies and product segments. As a result of this, the company posted a strong financial performance during the reported financial year 2021-22 with the total revenue growing to INR 12,310.39 million as compared to INR 9476.89 million in previous financial year 2020-21 which reflects an increase of 29.90%. The reported EBITDA during the same period has been INR 2716.63 million which reflects a 22.07% margin against 17.30 % margin for corresponding previous year FY 2020-21. The profit after tax (PAT) for the reported year has been INR 1687.80 million as compared to INR 912.14 million for corresponding previous year FY 2020-21 reflecting a growth of 85.04 %.

During the reported year FY 2021-22, Uniparts Group's 3PL sales contributed 58.1% and PMP



sales contributed 38.0% while the other adjacent product verticals i.e. HYD, PTO and FAB contributed 2.2% to total finished goods sales.

The company services its customers through its global business model based on 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), three warehouses and one distribution center across three continents, which are strategically located in proximity to several global OEMs in the OHV industry. During the reported year FY 2021-22, Uniparts Group's warehouses contributed 41.7% to the total finished goods sales. Direct Exports contributed 33.1% and Local Deliveries (i.e. sales from our manufacturing facilities in their respective domestic markets) 25.2% of the Group's finished goods sales in FY 2021-22.

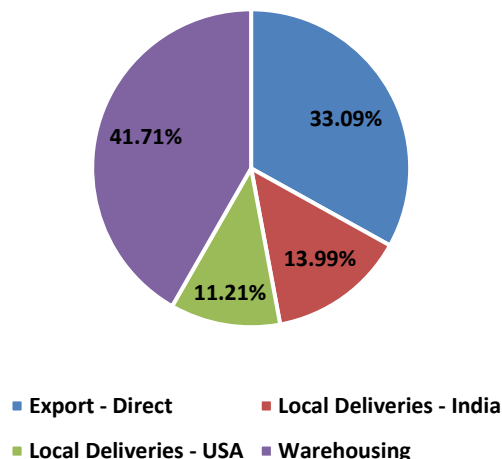
In terms of geographical spread of Group's sales, the Americas region contributed 48.9% of the total FG sales. Europe, India and Japan contributed 26.4%, 14.0% and 5.1%, respectively, with remaining 5.6% coming from Rest of World. This is in line with your management's focus on de-risking and diversifying the business and revenue profile while staying course to its OHV focus. Sales to Agriculture Sector constituted 73.5% of the total finished goods sales in FY 2020-21 while CFM Sector constituted 25.9% of the total finished goods sales in the reported financial year.

**Financial and Operational highlights:**

The Group stayed course to leveraging its global business model optimizing cost-competitiveness and customer supply chain risks even during the challenging macro-economic and supply chain environment during the reported financial year. During the reported financial year 2021-22, total revenues stood at INR 12310.39 million as compared to INR 9476.89 million in FY 2019-20. Corresponding reported EBITDA was INR 2716.63 million and PAT was INR 1687.80 million which were higher

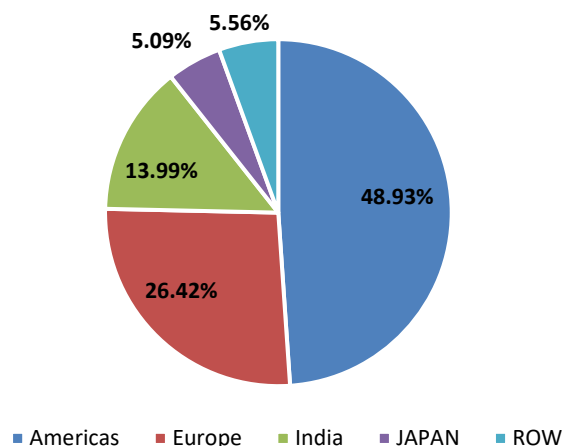
by 65.72% and 85.04% against previous year FY 2020-21. The operating activities generated INR 848.70 million cash during the reported financial

**Sales: Delivery Model-wise**



year.

**Sales: Geography-wise**



We have long-term relationships with key global customers, including major OEMs, resulting in a well-diversified revenue base. At the same time, some of the more recently added accounts have also been demonstrating increasing traction and growing relationship. The contribution of top 5

customers to our total finished goods sales during the reported year 2021-22 accounted for 58.51%.

Your company's management continues to believe that the organization is well positioned to benefit from increasing mechanization in the agriculture and CFM sectors, in particular through leveraging our global business model, which allows us to efficiently serve OEMs across multiple global locations, contributing to their increasing efforts to rationalize their supply chain and asset/working capital management. Our strategically located manufacturing and warehousing facilities offer scale and flexibility which ensures that we offer optimal solutions to meet our customers evolving requirements.

During the reported financial year, the Merchandise Exports from India Scheme ("MEIS") was discontinued and the Ministry of Finance, GoI announced a scheme for remission of duties and taxes on export products ("RODTEP Scheme") for exporters. The scheme, like MEIS scheme, allows the exporter for the payment of import duty or sell such duty credit scrips in the open market to other importers. The rates of the schemes vary.

#### **Other important highlights:**

You company's board approved plan for public issue of company's equity shares through Initial Public Offering (IPO) in its meeting on March 30, 2022. Resultingly the management appointed necessary intermediaries (Book Running Lead Managers, Legal Counsels etc) to prepare for regulatory filings in this regard. The Draft Red Herring Prospectus (DRHP) dated April 25, 2022 was filed with the market regulatory body SEBI on April 26, 2022. The Company has also obtained in-principle approval of the Stock Exchanges in relation to proposed IPO of the Company.

During the reported financial year, we incorporated a new entity in India named Gripwel Conag Private Limited ("GCPL") as 100% Subsidiary of Uniparts India Limited. The new company will cater to the growth of the group by serving the new business. Currently the first plant of Gripwel Conag Pvt Ltd is being set up at Ludhiana.

Further, during the year, it was resolved (at an Extraordinary General meeting of UEBV) to proceed for voluntary liquidation of our subsidiary entity in The Netherlands, Uniparts Europe B.V. (UEBV) and process of windup has been initiated.

#### **Continued watchout factors:**

As we enter into the financial year 2022-23, the Covid-19 pandemic is not over yet. Therefore, possibility of some disruptions or temporary bottle-necks still remains despite the continuous work on mitigation plan. Local restrictions due to surge in covid infections at local level continues to be one of the watchout factors in the overall business planning and progress. Overall inflationary environment and dynamic behavior of several commodities (including steel) also remains a factor which would require regular monitoring, requisite assessment and counter measure planning and implementation.

The global geopolitical environment is also witnessing some turbulence due to the recently evolved conflict situation in eastern Europe. The level, duration and extent of direct or indirect impact of such incident(s) cannot be fully ascertained.

#### **Looking ahead:**

The agriculture and construction equipment end-markets in most major geographies are witnessing continued recovery and strength. Your company's management is prudently optimistic about the overall demand scenario over the ensuing financial year FY2022-23 and is completely focused leveraging its integrated precision engineering capabilities and established global business model, to tap additional business opportunities and continue to expand addressable market. As part of our strategy, we would continue our efforts in the direction of targeting new customer accounts and expand existing customer accounts. We would retain our focus on higher value addition products and enhanced service offerings to improve the margin profile. Enhancing our engineering, innovation and

design competence continues to remain at the core of our strategy.

Management will continue to work on the IPO plans during the new fiscal subject to capital market conditions and macro-economic environment.

### **3. DIVIDEND**

Your Company has declared interim dividend twice during the financial year 2021-22. The first interim dividend was declared on March 01, 2022 @ Rs. 5.60 Per Share amounting to Rs. 25,27,49,044.80/- and second interim dividend on 22<sup>nd</sup> June 2022 @ Rs. 3.60 Per Share amounting to Rs. 16,24,81,528.80/-

### **4. TRANSFER TO RESERVES**

For the financial year ended 31<sup>st</sup> March 2022 no amount has been transferred to the General Reserves.

### **5. SUBSIDIARY COMPANIES**

As on 31<sup>st</sup> March 2022, the Company has five 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 2021-22, except incorporation of Gripwel Conag Pvt. Ltd. (a wholly owned subsidiary) and filing of application for voluntarily liquidation of Uniparts Europe B.V.

#### **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 2021-22 was 2,793.53 million as against 1,811.38 million in the previous year. Profit after Tax (PAT) for the

year was 312.82 million as compared to 215.30 million during the previous year.

GFPL's revenue from operations and PAT constitutes 22.91% and 18.80% respectively of the consolidated revenue from operations and PAT of the Company.

#### **b) Gripwel Conag Private Limited ("GCPL")**

GCPL was incorporated on 6<sup>th</sup> of December, 2021 under the Companies Act, 2013. GCPL is the wholly owned subsidiary of your Company. As the Company newly incorporated there is no revenue as on 31<sup>st</sup> March, 2022.

#### **c) 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 2021-22, UEBV reported a Loss of EUR 790 as compared to loss of EUR 12,586 during the previous financial year.

UEBV's has negligible contribution in consolidated revenue and PAT of the Company. The Company has filed an application for voluntary liquidation in December 2021.

#### **d) 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 2021-22, UIG reported sales of EUR 16.02 million as compared to EUR 11.26 million during the previous year. Net Profit after Tax for the year was EUR 1.30 million as compared to the profit of EUR 0.44 million during the previous financial year.

UIG's revenue from operations and PAT constitutes 11.30% and 5.78% respectively of the consolidated revenue from operations and PAT of the Company.

#### **e) 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 2021-22, UUL reported net Revenue of USD 26.32 million as compared to USD 20.56 million during the previous year. Profit after Tax (PAT) for the year was USD 2.93 million as compared to USD 1.97 million during the previous financial year.

UUL's revenue from operations and PAT constitutes 15.98% and 19.38% 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 24.14% and 10.59% respectively of the UUL's revenue from operations and PAT.

**f) 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 2021-22, UOI reported net sales of USD 39.76 million as compared to USD 32.31 million during the previous year. Profit after Tax (PAT) for the year was USD 1.75 million as compared to USD 2.48 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 2021-22 of the Company.

**6. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the period under review, there has been no change in the nature of business of the Company.

**7. 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. For ensuring the good corporate governance practice, the Company has adopted the new policies and reconstituted the existing policies as per SEBI Listing Regulations. 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.

**8. 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 2022 comprised of the following Directors:

<b>Name</b>	<b>Designation</b>
Mr. Gurdeep Soni	Chairman and Managing Director
Mr. Paramjit Singh Soni	Executive Director & Vice Chairman
Mr. Herbert Coenen	Non-Executive Director
Mr. Harjit Singh Bhatia	Nominee Director

Name	Designation
Mr. Sharat Krishan Mathur	Non-executive Independent Director
Ms. Shradha Suri	Non-executive Independent Director
Mr. Alok Nagory	Non-executive Independent Director
Mr. Sanjeev Kumar Chanana	Non-executive Independent Director

The details of the Board Meetings and the attendance of Directors are given herein below:-

Name of the Directors	Total Board Meetings conducted during the financial year 2021-22	Number of Board Meeting attended during the FY 2021-22
Mr. Gurdeep Soni	5	5
Mr. Paramjit Singh Soni	5	5
Mr. Herbert Coenen	5	5
Mr. Harjit Singh Bhatia	5	5
Mr. Sharat Krishan Mathur	5	5
Ms. Shradha Suri	5	4
Mr. Alok Nagory	5	2
Mr. Sanjeev Kumar Chanana*	5	2

\* Appointed on February 17, 2022

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

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

### Appointment:

- i) Mr. Harjit Singh Bhatia (DIN:02285424), has been appointed as Nominee Director of the Company w.e.f. 21<sup>st</sup> May 2021.
- ii) Mr. Sanjeev Kumar Chanana (DIN: 00112424), has been appointed as Independent Director of the Company w.e.f. 17<sup>th</sup> February 2022.
- iii) Mr. Jatin Mahajan has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 22<sup>nd</sup> March 2022.

### Resignation:

- i) Mr. Ashish Kumar Agarwal, Nominee Director of the Company has resigned w.e.f. 20<sup>th</sup> May 2021.
- ii) Mr. Ashish Kumar Srivastava, Company Secretary of the Company has resigned w.e.f. 18<sup>th</sup> January 2022.

### Reappointment:

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Herbert Coenen (DIN 02285424), shall retire by rotation as Director at this Annual General Meeting and being eligible, offers himself for reappointment.

## 10. 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 Mr. Sanjeev Chanana was appointed as an Independent Director of the Company.

## 11. BOARD COMMITTEES

As on 31<sup>st</sup> March 2022, the Company has Audit Committee, Nomination and Remuneration

Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee, Internal Complaints Committee, IPO 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. On 16<sup>th</sup> April, 2022, the Audit Committee was reconstituted by the Board of Directors in compliance with the provisions of the Companies Act and SEBI Listing Regulations. Now the Audit Committee comprised of:

<b>Name of Director</b>	<b>Category</b>	<b>Capacity</b>
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. Alok Nagory	Independent Director	Member
Mr. Gurdeep Soni	Managing Director	Member
Mr. Harjit Singh Bhatia	Nominee Director	Member

During the year ended 31<sup>st</sup> March, 2022, the Audit Committee met four times i.e., on 27<sup>th</sup> July, 2021, 29<sup>th</sup> October, 2021, 17<sup>th</sup> December 2021 and 22<sup>nd</sup> March 2022. Except Mr. Alok Nagory, who did not attend the meeting held on 29<sup>th</sup> October, 2021 and 22<sup>nd</sup> March, 2022, all the other members of the Audit Committee have attended all the Committee Meetings held during the FY 2021-22.

#### **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).

On 16<sup>th</sup> April, 2022, the Nomination and Remuneration Committee was reconstituted by the Board of Directors in compliance with the provisions of the Companies Act and SEBI Listing Regulations. Now, the Nomination and Remuneration Committee comprised of:

<b>Name of Director</b>	<b>Category</b>	<b>Capacity</b>
Mr. Alok Nagory	Independent Director	Chairman
Mr. Sharat Krishan Mathur	Independent Director	Member
Mr. Harjit Singh Bhatia	Nominee Director	Member
Mr. Paramjit Singh Soni	Vice Chairman & Executive Director	Member

During the year ended 31<sup>st</sup> March, 2022, the Nomination and Remuneration Committee met three times i.e., on 27<sup>th</sup> July, 2021, 29<sup>th</sup> October 2021 and 22<sup>nd</sup> March 2022. All the Committee members have attended all the meetings except Mr, Alok Nagory who was not able to attend meeting dated 29<sup>th</sup> October, 2021.

#### **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 & Executive 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 2022, the CSR Committee met one time i.e., on 27<sup>th</sup> July 2021. All the Committee members have attended all the committee meetings held during the FY 2021-22.

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. On 16<sup>th</sup> April, 2022, the committee has been re-constituted and as of now 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. Harjit Singh Bhatia	Nominee Director	Member
Mr. Sanjeev Kumar Chanana	Independent Director	Member

No meeting of Stakeholders Relationship Committee was convened during the FY 2021-22.

#### 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 & Managing Director	Chairman
Mr. Paramjit Singh Soni	Vice Chairman & Executive Director	Member
Mr. Harjit Singh Bhatia	Nominee Director	Member

No meeting of Borrowing Committee was convened during the FY 2021-22.

## IPO Committee

The Board of Directors of the Company had also constituted an IPO Committee, which was re-constituted on 17<sup>th</sup> December, 2021.

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 & Executive Director	Member
Mr. Harjit Singh Bhatia	Nominee Director	Member

One meeting of IPO Committee was convened during the FY 2021-22 i.e 26<sup>th</sup> March 2022 which was attended by all the members.

## Risk Management Committee

The Board of Directors of the Company had also constituted Risk Management Committee. The committee was constituted on 16<sup>th</sup> April 2022. The Composition of the Committee is as under:

Name of Director	Category	Capacity
Mr. Herbert Coenen	Non-Executive Director	Chairman
Mr. Gurdeep Soni	Chairman & Managing Director	Member
Mr. Sharat Krishan Mathur	Independent Director	Member

Apart from Board Members, it has Mr. Sudhakar Kolli, GCOO and Mr. Munish Sapra, GCFO as members of the Committee.

## 12. 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 parameters 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 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.

### **13. 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 comprehensive approach of the Company regarding 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.

### **14. 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 wrongdoing. 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 2022.

### **15. CAPITAL STRUCTURE**

During the year under review, no issue and allotment of securities has been made; hence there is no change in the capital structure of the Company.

### **16. 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. The ESOP Plan 2007 of the Company has been amended and adopted by the shareholders of the Company in their Extra-Ordinary General Meeting held on 23<sup>rd</sup> April 2022 in compliance to the provisions of The Companies Act and SEBI's Listing Obligations.

Please refer Note No. 33 to the Standalone Financial Statements of the Company for details of outstanding options under ESOP 2007.

### **17. 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 No. 4 and 10 of the standalone financial statement for the financial year 2021-22).

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

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. Members may refer Note No. 38 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

Therefore, the Company is not required to report transactions in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at [www.unipartsgroup.com](http://www.unipartsgroup.com).

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

## **19. 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 2021-22 till the date of this report.

## **20. 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 2** to this Report.

## **21. 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.

## **22. 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 i.e. [www.unipartsgroup.com](http://www.unipartsgroup.com)

### **23. 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.

### **24. RISK MANAGEMENT**

Risk management forms an integral part of management policy, the Company follows a specific, risk management process which is integrated with its operations, for identification, categorization and prioritization of operational, financial and strategic business risks. The Company's management systems, organizational structures, processes, standards, code of conduct and behavior governs how the Company conducts the business of the Company and manages associated risks. The Company has an internal evaluation system to understand the delta between existing processes and prioritize actions to reach full compliance in order to attain the desired results.

### **25. 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. 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.

It is proposed to appoint M/s. S.C. Varma & Co., Chartered Accountants (Firm Reg. No. - 000533N) to hold the office of Statutory Auditors from the conclusion of ensuing Annual General Meeting till conclusion 33<sup>rd</sup> Annual General Meeting of the Company subject to the approval of Shareholders. In this regard Company has received the consent and relevant eligibility certificates from M/s. S.C. Varma & Co.

### **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 for the financial year 2021-22 in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year 31<sup>st</sup> March 2022 is annexed herewith as **Annexure 3** 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 2021-22 which call for any explanation from the Board of Directors.

The Board has re-appointed M/s. Sanjay Grover and Associates, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2022-23 on the recommendations made by the Audit Committee.

### **Cost Auditors**

M/s. Vijender Sharma & Co., Cost Accountants, was appointed as the Cost Auditor for the financial year 2021-22 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 2022-23 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.

### **26. COST RECORDS/COST AUDIT**

The Company has maintained cost records for the financial year 2021-22 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 2021-22 in respect of the products prescribed under relevant Cost Audit Rules, shall be filed as per the requirements of applicable laws.

### **27. ANNUAL RETURN**

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)

### **28. 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 4** to this Report.

### **29. 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 2022, the Company did not receive any complaint related to sexual harassment. Further, the Annual Report as per POSH Act regulations has also been filed with the relevant department during the period under review.

### **30. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year 2021-22 in terms of Chapter V of the Companies Act, 2013.

### **31. 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.

### **32. SECRETARIAL STANDARDS**

During the year under review (i.e. 2021-22), 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.

### **33. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There is no application made nor there is any pending proceeding under the Insolvency and Bankruptcy Code, 2016, during the year.

### **34. HUMAN RESOURCE & INDUSTRIAL RELATIONS**

Uniparts Group consider human capital a critical factor to the business success. The Company's Workforce Strategy has been developed to address key aspects of people development such as a) good governance and fair business practices; b) Increase efficacy of HR systems by automating the core HR processes; c) Fair & objective Performance Management system; d) Creation of a future ready common talent pool across company; e) competitive compensation to attract and retain talent; f) development and delivery of comprehensive training programs to impact and improve technical & functional skills & managerial competence and g) Engaged & motivated workforce.

In line with the Workforce Strategy, the Company has implemented various initiatives to build better organizational capabilities that we believe will enable us to sustain competitiveness in the global marketplace. The Company's focus is to attract, develop and retain the best talent. The Company's HR function is committed for development of employees to strengthen their functional, managerial and leadership capabilities. Some of the initiatives to meet this objective include:

- Strategic Organization Structure to meet out the present and future Business requirements.
- Development and institutionalization of competencies-based HR Systems & Process
- Competencies based sourcing & hiring as per the current and future business challenges.
- Competitive Compensation and Benefits Program
- Focused approach on Training & Development of employees with the objective of upgrading their managerial effectiveness / supervisory skills to adopt fast-changing external environment and meet Critical Success Factor goals
- Company has made a plan to work on Succession Planning exercise for N-1 & N-2 levels in 2021-22 to ensures healthy succession pipeline at critical and leadership roles by

identifying potential employees and enable their development program.

- The Company is also committed for building diverse & inclusive workforce as equal opportunity employer. Aim is to increase gender diversity on the shop floor, the Company has employed women blue collar workers at all its manufacturing units after initiating safety measures and compliance with statutory requirements.

### **Industrial Relations**

Company does not have any labour union for operator grade employees at any of the plants across India. The Company enjoys cordial relations with its workmen at all factories and offices and has received workmen support in implementation of reforms that impacts safety, quality, cost control measures and productivity improvements. Workmen wages are paid regularly and revised annually in accordance with Company's annual wage revision policy, which is broadly based on the performance, productivity, quality, and discipline. Company has been getting workmen support in implementation of quality initiatives, cost saving measures and productivity improvements across all locations.

### **Skill Development**

The Company's Manufacturing process is supported by various factors such as availability of skilled labour at low cost and low-cost steel in production etc. The Company also provides great opportunities for direct and indirect employment to skilled and unskilled labour.

Skill development of all shop floor workforce help us to effectively meet the productivity and quality deliverables and The Company arrange extensive Training of young people under Government driven programs like NAPS & National Employment Enhancement Mission all the plants for helping them to get gainful employment in the industry.

### **Prevention of Sexual Harassment**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. Internal Committee has been constituted at all locations & establishments to address complaints received regarding sexual harassment. During FY 2021-22, the Company had received no complaint on sexual harassment. The Company organized 8 awareness workshops through virtual platform and covered about 625 employees.

### **Safety & Health – Performance & Initiatives**

In continuation of Safety Excellence Journey at the Company, the Organization once again achieved its continually Fatality Free Year in FY 2021-22. During the year, several proactive initiatives were undertaken by the Company viz. proactive monitoring of Leading Indicators (also known as Proactive Safety Index), focus on identification of near miss incidents and training sessions on risk perception & mitigation. The Company also focused on identification of critical to safety workstations to target areas with high potential for accidents. In order to protect its employees, Company undertook Kaizen initiatives to reduce accidents or near miss incidents across its Plant locations. Also, continued the focus on the safety measures initiated in Plants and offices during the Covid pandemic time. All the employees of the company in its India operations are now fully vaccinated for Covid.

For promoting health and wellness, Company has arranged a variety of physical and mental wellness programs & Medical Assistance platform 'Practo', which could be availed by employees and their family members free of cost. The Company's HR teams located at plants supported employees during COVID-19 pandemic by arranging beds/

medicines in hospitals. The Company also arranged Company's Ambulance on free of cost with medical equipment to Government healthcare providers through CSR program.

### **35. 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:**

**Date: June 22, 2022**

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

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

### 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.

SI NO.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Gurdeep Soni	Chairman and Managing Director	1	1
2	Mr. Paramjit Singh Soni	Vice-Chairman and Director	1	1
3	Mr. Sharat Krishan Mathur	Independent Director	1	1

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

- The composition of the CSR committee is available on our website, at [www.unipartsgroup.com](http://www.unipartsgroup.com)
- The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at [www.unipartsgroup.com](http://www.unipartsgroup.com)

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

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

### 6. Average net profit of the Company as per Section 135(5): Rs. 27,37,44,990/-./-

### 7. (a) Two percent of average net profit of the company as per section 135(5): Rs.54,74,900/-

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

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



(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 54,74,900/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 55,00,000/-	Nil	NA	NA	NA	NA

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District.			Name	CSR Registration number.
1.	Promoting Healthcare including Preventive Healthcare	(i)	No	U.P	Lakhimpur, Kheri	Rs.30.00 lakhs	No	Dashmesh Charitable Hospital Society	CSR00008046
2	Promoting Education	(ii)	No	Maharashtra	Tirthanker, Leni	25.00 lakhs	No	Sansthana m Abhay Daanam	CSR00001492

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 55,00,000 /-

(g) Excess amount for set off, if any: Nil

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

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable** as Company spent CSR amount through implementing agency.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not applicable.**

**For Uniparts India Limited**

**Sd/-**

**(Gurdeep Soni)**

**DIN: 00011478**

**Managing Director and Chairman-CSR Committee**

**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 compliant and some more initiatives were taken by the company during the year 2021-22, which are as follows:

- Induction Billet heaters installed against the use of furnace oil.
- PID temperature controllers installed on cooling towers.
- Heat insulation of FO pipe line for Furnaces.
- Water pumping through gravitational force on Hammers in forging.
- Cooling tower pumps replaced from 20HP to 15HP by modifying the header line at induction hardening.
- Hydraulic power auto cut sensor installed on shot blasting machine.
- Machine Panel AC's are replaced by exhaust fans.
- Propane gas consumption reduced by using Temperature controlling system at Plating and Painting line.
- VFD installed on heavy duty motor air compressors.
- Human movement motion sensor installed in common area.
- Auto cut provided in electrical panel in Office Lighting & Air Conditioning.
- DC welding set instead of AC for better quality performance & energy efficiency.
- LED lights and use of natural light
- Hydraulic power packs installed against conventional clutch feed system.

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

- Diesel replaced with PNG Gas in Heat Treatment & Finishing Section.
- Reuse of effluent water for process through Low Temperature Evaporator. Zero liquid discharge system.
- Reuse of effluent water for process through Zero liquid discharge system.
- Exploring the usage of alternate source of energy though off site solar power plant for the Noida units

**(iii) Capital investment on energy conservation equipment:**

- The Company has invested an amount of INR 16.6 Lacs approx. on energy consumption equipment's and measures implementation and Rs. 10 Lacs approx. on Energy Saving for LED lights and Propane consumption reduction in Plating.

**(B) TECHNOLOGY ABSORPTION**

**(i) Efforts made towards technology absorption:**

- Enhancement in technology by developing 3 point linkage for utility task vehicles (UTV) and all-terrain vehicles (ATV)

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:**

- Energy Conservation and cost Reduction
- Pollution control
- Manpower optimization
- Down time reduction

**I. 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:

<b>Particulars</b>	<b>(Amount in Rs.)</b>
Foreign Exchange Earnings	8,395,789,603
Foreign Exchange Outgo:	
(a) CIF Value of Imports	924,709,287
(b) Others	5,600,474
Remittance in Foreign Currency on account of Dividend	89,729,284

**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 2022

[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 records and books of accounts 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.

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, 2022 ("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, 2022 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 wherever applicable;

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, 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. Further, the Company was generally regular in filings with Registrar of Companies.

- (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. The changes in the composition Board of Directors that took place during the period under review were in compliance.

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 except for those meetings which were held at shorter notice 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.

**We further report that** during the audit period the board of directors of the Company in its meeting held on March 30, 2022 approved the Initial Public Offering of shares of the Company comprising only Offer for Sale of equity shares by the existing shareholders of the Company. Pursuant to said approval, the Company filed the Draft Red Herring Prospectus (DRHP) dated 25<sup>th</sup> April 2022 with Securities and Exchange Board of India (SEBI), BSE Limited and National Stock Exchange of India Limited (NSE) on April 26, 2022.

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

Priyanka  
Partner  
M No. F10898  
C P No.: 16187  
New Delhi

**STATEMENT OF PARTICULARS OF EMPLOYEES  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**(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	22,971,428	Master's in mechanical engineering, MBA (Organizational Leadership)	Permanent	61	38	08-Feb-16	Hyva
Munish Sapra	Group Chief Financial Officer	13,564,049	B. Com, PGDFM, CA	Permanent	54	28	07-Jan-19	Sona BLW Precision Forgings LTD
Lalitendu Samanta*	Sr. Vice President	3,048,829	BA, MA, PG in IRLW	Permanent	57	32	22-Oct-21	Lumax Management Services Pvt..Ltd.
Jaswinder Singh Bhogal	Vice President	11,258,676	B. Com, MBA (Marketing)	Permanent	51	26	01-Jan-08	Bhogal Exports
Hari Buddhiraju	Associate Vice President	6,572,316	PG in Tool, Die and Mould Design, Executive MBA	Permanent	57	32	23-Jul-18	Cummins India Ltd.
Vivek Maheshwari	Associate Vice President	5,238,525	B. Com, CA, MBA (Finance & Marketing)	Permanent	43	21	02-May-18	Genpact India Pvt. Ltd.
Premendra Singh Rathor	Associate Vice President	5,283,229	B. Tech - (Mechanical)	Permanent	49	27	15-Oct-18	CNH Industrial
L Manibaskar	Senior General Manager	5,033,531	BE - (Mechanical), M. Tech - (Energy technology)	Permanent	48	23	02-May-16	New Holland Fiat (India) Pvt Ltd. CNH
Karuppiiah Velu	Associate Vice President	4,857,643	B.E. - (Mechanical), MBA (Operations)	Permanent	51	28	01-Apr-00	-
Sameer Malhotra	Associate Vice President	4,880,958	B. Com	Permanent	44	22	01-May-08	-

\*Employed during the Financial Year.

**Notes:**

- Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 provides that the Board's Report shall include a statement showing- [the names of the top ten 10 employees in terms of remuneration drawn and name of every employee, who-] (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than - one crore and two lakh rupees; - (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than- eight lakh and fifty thousand rupees per month. Accordingly, the information of employees/ managing director who is falling under said criteria has been given.
- 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.
- None of the above-mentioned employee/ Director is related to any Director of the Company.
- The nature of employment of the people is governed though employment letter/ contract entered with them.
- None of the employees holds 2% or more of the paid-up equity share capital of the Company.

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

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



**RAKESH BANWARI & CO.**  
CHARTERED ACCOUNTANTS  
Off. : 10/52, IInd Floor, Subhash Nagar  
New Delhi-110027 Mob. : 9810131084  
Ph. : 45024859, 25146878, 25497778  
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Website : www.rakeshbanwari.com

## 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, 2022, 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, 2022, its 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 ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 standalone Financial Statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

1. As required by 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.

- 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.
- iii. There has been no delay in transferring the amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company ; or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:



- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party; or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.

v) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

2. As required by the Companies (Auditor’s Report) Order, 2020 (“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 : 22088193ALMXTA6602



Place : New Delhi

Dated : 22.06.2022

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

(Referred to in paragraph 1(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 over financial reporting 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, 2022 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 Act.

#### **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 the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, 2022, based on the criteria for internal financial control over financial reporting 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 : 22088193ALMXTA6602



Place : New Delhi

Dated : 22.06.2022

## 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)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.  
  
(2) The Company has maintained proper records showing full particulars of Intangible assets.
  - (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment and right of use assets by which Property, Plant and Equipment and right of use assets are verified in a phased manner over a period of three to five years. In accordance with this programme certain Property, Plant and Equipment 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.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory has been physically verified at the end of the year by the management. In our opinion, the coverage, frequency and procedure of such physical verification is appropriate. No discrepancies exceeding of 10% or more in the aggregate for each class of inventory were noticed during such physical verification.





- (b) the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. The Company has made investment in Companies and given guarantees to the Companies, during the year, in respect of which :
- (a) During the year, the Company has stood guarantee in respect of one of its wholly owned subsidiaries and the aggregate amount during the year and balance outstanding as on March 31, 2022 was Rs. 22.50 crore.
- (b) The guarantees provided are not prejudicial to the interest of the Company.
- (c) According to the information and explanation given to us, the Company has not granted loans and advances in the nature of loans. Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company.
- (d) 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 or advances in the nature of loans. Accordingly, paragraph 3(iii)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanation given to us, the Company has not granted loans and advances in the nature of loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanation given to us, the Company has not granted loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, paragraph 3(iii)(f) 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 securities provided.
- v. The Company has not accepted any deposits or amount which are deemed to be deposits within the meaning of directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under and therefore provisions of clause 3(v) of the Order are not applicable to the Company.



- vi. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2014 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, employees' state insurance, income tax, goods and service tax, duty of customs, cess, sales tax, service tax and value added tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess, sales tax, service tax and value added tax and other material statutory dues were in arrears as at 31st March, 2022 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
Income Tax Act, 1961	Income Tax	1.62	A.Y. 2010-11	Commissioner of Income Tax (Appeals)



Income Tax Act, 1961	Income Tax	77.72	A.Y. 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	5.30	A.Y. 2018-19	Asstt. Commissioner of Income Tax
Central Excise Act, 1944	Excise Duty	1.42	F.Y. 2004-09	Asstt. Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	0.13	F.Y. 2009-10	Asstt. Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	0.08	F.Y. 2010-11	Asstt. Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	0.25	F.Y. 2011-12	Asstt. Commissioner of Central Excise

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion the company has not defaulted in repayment of loans and other borrowings or in payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on shortterm basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.



- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- 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. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

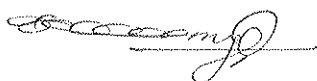


- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected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

For **Rakesh Banwari & Co.**

Chartered Accountants

Firm Registration No: 009732N



**(Rakesh Aggarwal)**

Proprietor

Membership Number: 088193

UDIN : 22088193ALMXTA6602



Place : New Delhi

Dated : 22.06.2022

# Balance Sheet

As at 31st March, 2022



Uniparts India Limited

	Notes	As at 31st March 2022	As at 31st March 2021
(INR in millions)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	1,734.04	1,706.48
Right-of-Use Assets	3	310.05	339.16
Capital work-in-progress	3	7.36	8.04
Intangible assets	3	23.58	30.11
Intangible assets under development	3	-	-
Financial assets			
Investments	4	536.35	505.40
Other financial assets	5	41.58	39.77
Current tax assets (Net)		83.37	59.11
Other non-current assets	6	6.30	19.77
<b>Total non-current assets</b>		<b>2,742.63</b>	<b>2,707.84</b>
<b>CURRENT ASSETS</b>			
Inventories	7	1,549.13	1,344.35
Financial assets			
Trade receivables	8	1,606.54	1,163.49
Cash and cash equivalents	9	51.29	57.46
Derivative instruments		18.91	26.94
Loans	10	2.90	3.13
Other financial assets	5	0.78	0.33
Other current assets	6	225.32	221.69
<b>Total current assets</b>		<b>3,454.87</b>	<b>2,817.39</b>
<b>Total Assets</b>		<b>6,197.50</b>	<b>5,525.23</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	446.20	446.20
Other equity	12	3,583.48	2,766.13
<b>Total equity</b>		<b>4,029.68</b>	<b>3,212.33</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	-	33.33
Lease liabilities	14	39.26	60.37
Provisions	15	129.21	123.62
Deferred tax liabilities (Net)	16	83.22	103.56
Other liabilities	17	2.49	2.89
<b>Total non-current liabilities</b>		<b>254.18</b>	<b>323.77</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	912.08	1,026.29
Lease liabilities	14	22.40	25.34
Trade payables due to:	18		
Micro and small enterprises		310.98	322.83
Other than micro and small enterprises		378.15	383.62
Other liabilities	17	231.93	169.92
Provisions	15	33.20	31.97
Current tax payable		24.90	29.15
<b>Total current liabilities</b>		<b>1,913.64</b>	<b>1,989.12</b>
<b>Total equity and liabilities</b>		<b>6,197.50</b>	<b>5,525.23</b>
Significant accounting policies	16.2		
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: 27 JUN 2022



*Handwritten signature of Gurdeep Soni*

Gurdeep Soni

(Chairman & Managing Director)

[DIN: 00011476]

*Handwritten signature of Munish Sapra*

Munish Sapra

(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

*Handwritten signature of Pardeep Singh Soni*

Pardeep Singh Soni

(Vice Chairman & Director)

[DIN: 00011616]

*Handwritten signature of Jatinder Mahajan*

Jatinder Mahajan

(Company Secretary)

[FCS: 6887]

# Statement of Profit and Loss

For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

	Notes	Year ended 31st March 2022	Year ended 31st March 2021
<b>INCOME</b>			
Revenue from operations	19	8,826.25	5,911.75
Other income	20	325.23	135.63
<b>Total income</b>		<b>9,151.48</b>	<b>6,047.38</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	3,932.60	2,584.12
Changes in inventories of finished goods, work-in-progress and scrap	22	(198.66)	(11.19)
Employee benefits expense	23	1,250.78	1,019.98
Finance costs	24	33.84	50.26
Depreciation and amortization expenses	25	250.15	248.17
Other expenses	26	2,393.08	1,595.91
<b>Total expenses</b>		<b>7,661.79</b>	<b>5,487.25</b>
<b>Profit before tax</b>		<b>1,489.69</b>	<b>560.13</b>
<b>TAX EXPENSES</b>			
Current tax	27	299.89	132.01
Earlier years tax		(7.39)	-
Deferred tax		(15.45)	(5.83)
<b>Total tax expenses</b>		<b>277.05</b>	<b>126.18</b>
<b>Profit for the year</b>		<b>1,212.64</b>	<b>433.95</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains / (losses) of defined benefit plans		(11.42)	(0.54)
Income tax effect		2.87	0.14
		(8.55)	(0.40)
Items that will be reclassified to Profit or Loss:			
Effective portion of cash flow hedge		(8.02)	60.51
Income tax effect		2.02	(15.23)
		(6.00)	45.28
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(14.55)</b>	<b>44.88</b>
<b>Total comprehensive income for the year</b>		<b>1,198.09</b>	<b>478.83</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH</b>			
Basic (In ₹)	28	27.43	9.84
Diluted (In ₹)		26.87	9.62
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: 22 JUN 2022



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]

Jatin Mahajan

(Company Secretary)

[FCS: 6887]

# Statement of Cash Flow

For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

Particular	Year ended 31st Mar 2022	Year ended 31st March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	1489.69	560.13
Adjustments for:		
Depreciation and amortization expenses	250.15	248.17
Interest expenses	24.73	40.52
Interest income	(8.66)	(4.79)
Expense on employee stock option scheme	7.98	4.58
Amount received from Uniparts Employees Stock Option Plan (ESOP) Trust	12.00	-
Dividend income	(301.00)	(100.80)
Reclassification Of cash flow hedge	-	-
(Profit) / Loss on sale of property, plant and equipment	1.30	0.57
Fixed assets written-off	-	0.84
Unrealised foreign exchange (gain)/ loss	(21.39)	(32.85)
Effects Of foreign exchange on loans and forwards	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>1454.80</b>	<b>716.37</b>
Adjustments For Changes In Working Capital :		
Increase/(decrease) in loans	0.23	(1.64)
(Increase)/decrease in other financial assets (non-current)	(1.81)	4.50
(Increase)/decrease in other non-current assets	13.47	(15.31)
(Increase)/decrease in inventories	(204.77)	(69.17)
(Increase)/decrease in trade receivables	(422.11)	(303.48)
(Increase)/decrease in other financial assets (current)	(0.45)	-
(Increase)/decrease in current tax assets (net)	(28.55)	53.24
(Increase)/decrease in other current assets	(3.64)	65.66
Increase/(decrease) in provisions (non-current)	(5.82)	15.74
Increase/(decrease) in other non-current liabilities	(0.39)	(0.39)
Increase/(decrease) in trade payables	(17.31)	347.39
Increase/(decrease) in other current liabilities	64.50	45.25
Increase/(decrease) in provisions (current)	1.23	(2.43)
<b>Cash generated from/(used in) operations</b>	<b>849.38</b>	<b>855.73</b>
Income tax (paid) / refunds	292.50	132.01
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>556.88</b>	<b>723.72</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(243.66)	(105.37)
Payments for purchase of intangible assets	(2.47)	(6.17)
proceeds from sale of property, plant and equipment	3.46	8.31
Interest received	8.66	4.79
Dividend received	301.00	100.80
Investment in equity share	(30.00)	-
<b>Net cash flow from/ (used in) Investing activities (B)</b>	<b>36.99</b>	<b>2.36</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) from short term borrowings	(113.75)	(405.33)
Payment of Lease Liabilities	(24.05)	(29.56)
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	(33.33)	(243.35)
Interest paid	(24.73)	(40.52)
Payment of dividend on equity shares	(401.69)	-
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(597.55)</b>	<b>(718.76)</b>





# Statement of Cash Flow

For the year ended 31st March, 2022



Uniparts India Limited

Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(3.68)	7.32
Opening balance of cash and cash equivalents	57.45	47.64
Net Increase/(decrease) in temporary overdraft	(2.48)	2.49
Closing balance of cash and cash equivalents [Refer Note 9]	51.29	57.45
Cash and cash equivalents comprises :		
Cash in hand		
Balances with banks	0.92	0.79
Other bank balances	50.37	56.67
	-	-

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

Disclosure as required by Ind AS 7 - "Cash Flow Statements" - change in liabilities arising from financing activities:-

Particular	Year ended	
	31st March 2022	31st March 2021
Opening balance		
Non cash movement		
Exchange (Gain)/Loss	1,059.62	1,728.23
Interest Cost		
Cash movement	(0.46)	(19.93)
Principal repayment of long term borrowings	24.73	40.52
Proceeds from long term borrowings		
Net short term Borrowing	(33.33)	(243.35)
Interest Payment	(113.75)	(405.33)
	(24.73)	(40.52)
Closing balance	912.08	1,059.62

As per our report of even date attached.

For Rakesh Banwari & Co.

Chartered Accountants

Firm Regn. No.009732N

*[Signature]*

Rakesh Aggarwal

(Proprietor)

Membership No. 088193

Place : New Delhi

Date: 27 JUN 2022



*[Signature]*

Gurdeep Soni

(Chairman & Managing Director)

[DIN: 00011478]

*[Signature]*

Minish Sapra

(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

*[Signature]*

Paramjit Singh Soni

(Vice Chairman & Director)

[DIN: 00011616]

*[Signature]*

Jatin Mahajan

(Company Secretary)

[FCS: 6887]

## Statement of Changes in Equity

For the year ended 31st March, 2022



Uniparts India Limited

### A. EQUITY SHARE CAPITAL

(INR in millions)

	Amount
Balance at 1st April, 2020	451.34
Change during the period 1st April 2020 to 31st March, 2021	-
Balance at 1st April, 2021	451.34
Change during the period 1st April 2021 to 31st March, 2022	-
Balance at 31st March, 2022	451.34

### B. OTHER EQUITY

(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	
Balance as at 1st April, 2021	837.56	1,883.13	34.95	40.02	18.72	2814.38
Profit for the year	-	1,212.64	-	-	-	1212.64
Other comprehensive income for the year	-	(8.54)	-	-	(6.00)	(14.54)
Total comprehensive income for the year	837.56	3,087.23	34.95	40.02	12.72	4012.48
Payment of dividend on equity shares	-	(401.69)	-	-	-	(401.69)
Transfer to Special Economic Zone re-investment reserve	-	(30.00)	30.00	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	34.96	(27.12)	-	-	7.84
Transferred to the surplus/(deficit) in the statement of Profit and Loss	-	-	(7.83)	-	-	(7.83)
Amount recognised during the year	8.43	-	-	(8.43)	-	0.00
ESOP Granted during the year	-	-	-	8.93	-	8.93
	845.99	2,690.50	30.00	40.52	12.72	3619.73
Employees Stock Option	(36.25)	-	-	-	-	(36.25)
Balance as at 31st March, 2022	809.74	2,690.50	30.00	40.52	12.72	3,583.48



(INR in millions)


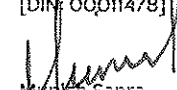
Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Security premium	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Effective portion of cash flow hedge	
Balance as at 1st April, 2020	837.56	1,448.56	36.04	35.99	(26.56)	2,331.59
Profit for the year	-	433.95	-	-	-	433.95
Other comprehensive income for the year	-	(0.40)	-	-	45.28	44.88
Total comprehensive income for the year	837.56	1,882.11	36.04	35.99	18.72	2,810.42
Transfer from Special Economic Zone re-investment reserve	-	1.09	(1.09)	-	-	-
ESOP Granted during the year	-	-	-	4.03	-	4.03
	837.56	1,883.13	34.95	40.02	18.72	2,814.38
Amount recoverable from Uniparts Employees Stock Option	(48.25)	-	-	-	-	(48.25)
<b>Balance as at 31st March, 2021</b>	<b>789.31</b>	<b>1,883.13</b>	<b>34.95</b>	<b>40.02</b>	<b>18.72</b>	<b>2,766.13</b>

As per our report of even date attached.  
For Rakesh Banwari & Co.  
Chartered Accountants  
Firm Regn. No.009732N

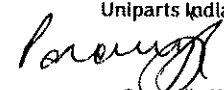
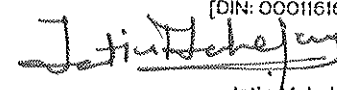
Rakesh Aggarwal  
(Proprietor)  
Membership No. 088193

Place : New Delhi  
Date: 27 JUN 2022



  
Gurdeep Soni  
(Chairman & Managing Director)  
[DIN: 00011478]  
  
Manish Sapra  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

  
Paramjit Singh Soni  
(Vice Chairman & Director)  
[DIN: 00011616]  
  
Jatin Mahajan  
(Company Secretary)  
[FCS: 6887]

## Notes

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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### 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 Grihpel 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 U74899DL1994PLCO61753.

### 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

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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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, 2022 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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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.



## Notes

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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 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

### 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

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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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 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 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

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### (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.



## 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 &amp; 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.



## Notes

## Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 2.20) Provisions and Contingencies

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, 2022



Uniparts India Limited

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

Description	Gross Block				Depreciation/Amortisation and Depletion				Net Block	
	As at 1st April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31st Mar 2022	As at 1st April 2021	For the year	Deductions/ Adjustments	As at 31st Mar 2022	As at 31st Mar 2022	As at 31st March 2021
<b>PROPERTY, PLANT AND EQUIPMENT</b>										
Own Assets:										
Land	34.33	-	-	34.33	-	-	-	-	34.33	34.33
Buildings	769.37	2.17	-	771.54	206.44	24.11	0.00	230.55	540.99	562.93
Plant & Machinery	2,184.61	219.77	20.73	2,383.65	1,137.55	168.57	16.21	1,289.91	1,093.74	1,047.06
Furniture & fixtures	42.80	0.45	0.07	43.18	29.47	2.23	0.07	31.63	11.55	13.33
Vehicles	18.88	1.98	3.65	17.21	9.34	1.86	3.47	7.73	9.48	9.54
Office Equipments	54.79	9.31	1.23	62.87	37.29	5.80	1.16	41.93	20.94	17.50
Computers	104.19	9.19	0.13	113.25	82.38	7.98	0.12	90.24	23.01	21.81
Sub total	3,208.97	242.87	25.81	3,426.03	1,502.47	210.55	21.03	1,691.99	1,734.04	1,706.50
Right-of-Use Assets:										
Land	291.10	-	-	291.10	26.20	6.55	-	32.75	258.35	264.90
Buildings	116.21	-	-	116.21	45.33	22.66	-	67.99	48.22	70.88
Vehicles	4.47	1.49	-	5.96	1.10	1.38	-	2.48	3.48	3.37
Sub total	411.78	1.49	-	413.27	72.63	30.59	-	103.22	310.05	339.15
Total (A)	3,620.75	244.36	25.81	3,839.30	1,575.10	241.14	21.03	1,795.21	2,044.09	2,045.65
<b>INTANGIBLE ASSETS</b>										
Software	148.08	2.47	-	150.55	117.96	9.01	-	126.97	23.58	30.12
Total (B)	148.08	2.47	-	150.55	117.96	9.01	-	126.97	23.58	30.12
Total (A+B)	3,768.83	246.83	25.81	3,989.85	1,693.06	250.15	21.03	1,922.18	2,067.67	2,075.77
Previous Year	2,670.84	702.43	99.91	3,273.36	1,076.31	180.70	81.85	1,175.16	2,096.20	1,594.53
<b>CAPITAL WORK-IN-PROGRESS</b>										
INTANGIBLE ASSETS UNDER DEVELOPMENT									7.36	8.04



3.1) For Assets given as security - Refer Note 13

3.2) Aging of Capital work in progress(CWIP):  
As at 31st March 2022

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	7.36	0.00	0.00	0.00	7.36
Project temporarily suspended					
<b>Total</b>	<b>7.36</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7.36</b>

As at 31st March 2021

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	7.87	0.17	0.00	0.00	8.04
Project temporarily suspended					
<b>Total</b>	<b>7.87</b>	<b>0.17</b>	<b>0.00</b>	<b>0.00</b>	<b>8.04</b>

3.3) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>4. INVESTMENTS</b>		
Non-current		
In Equity shares of subsidiary companies		
Unquoted, fully paid up		
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>53.30</b>	<b>53.30</b>
Gripwel Fasteners Pvt. Ltd. 57,59,842 (57,59,842) Equity Shares of ₹ 10 each	49.87	49.87
Uniparts India GmbH I (I) Equity Share of € 100,000 each	5.94	5.94
Gripwel Conag Pvt. Ltd. 30,00,000 (Nil) Equity Shares of ₹ 10 each	30.00	-
In Preference shares of subsidiary companies		
Unquoted, fully paid up		
Uniparts USA Ltd. 8,00,000 (8,00,000) Preferred Stock of \$ 10 each	392.67	392.67
Total	<b>532.63</b>	<b>502.63</b>
Investment in subsidiaries (for ESOP) [Refer Note 4.1]	3.71	2.76
Total Investments Non-current	<b>536.35</b>	<b>505.40</b>
Aggregate amount of Unquoted Investments	536.35	505.40
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, 2022



Uniparts India Limited

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>5. OTHER FINANCIAL ASSETS</b>		
Non-current		
Security deposits	41.50	39.69
Deposits with original maturity of more than twelve months	0.08	0.08
<b>Total</b>	<b>41.58</b>	<b>39.77</b>
Current		
Interest accrued but not due	0.78	0.33
<b>Total</b>	<b>0.78</b>	<b>0.33</b>

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>6. OTHER ASSETS</b>		
Non-current (Unsecured, considered good)		
Capital advances	6.30	19.77
<b>Total</b>	<b>6.30</b>	<b>19.77</b>
Current (Unsecured, considered good)		
Advances to suppliers [Refer Note 6.1]	16.66	15.25
Balance with customs, central excise, GST and state authorities	113.51	106.73
Government grant - export incentives receivable	41.90	74.98
Prepaid expenses	25.87	22.28
Advance payments, other recoverable in cash or in kind-or for value to be received	0.80	0.50
Advance rent	1.47	1.95
Fund raising expenses	25.11	-
<b>Total</b>	<b>225.32</b>	<b>221.69</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, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>7. INVENTORIES</b>		
Raw materials (including materials in transit)	266.07	286.46
Work-in-progress	603.79	678.44
Finished goods (including goods at port)	498.61	225.71
Stores and spares (Including materials in transit)	174.55	148.05
Scrap	6.11	5.69
<b>Total</b>	<b>1,549.13</b>	<b>1,344.35</b>

During the year ended March 31, 2022 in addition to above provision for obsolescence, Rs. 65.46 Millions (March 31, 2021 Rs. 50.11) was recognised as an expense for inventories carried at net realisable value.

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>8. TRADE RECEIVABLES</b>		
Current (Unsecured)		
Trade receivables (considered good) [Refer Note 38- for related parties]	1,606.54	1,163.49
Credit Impaired	0.95	1.85
	<b>1,607.49</b>	<b>1,165.34</b>
Impairment allowance (bad and doubtful debts)		
Expected credit loss	(0.95)	(1.85)
<b>Total</b>	<b>1,606.54</b>	<b>1,163.49</b>

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

As at 31st March 2022						(INR in millions)
Particulars	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Receivables ageing schedule						
Outstanding for following periods from due date of payments						
(i) Undisputed Trade receivables -						
considered good	1600.44	4.75	0.32	0.27	1.71	1,607.49
(ii) Disputed Trade receivables -						
credit impaired	-	-	-	-	0.95	0.95



As at 31st March 2021

(INR in millions)

Particulars	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Receivables ageing schedule						
Outstanding for following periods from due date of payments						
(i) Undisputed Trade receivables - considered good	1,161.81	0.33	0.23	0.73	0.39	1,163.49
(ii) Undisputed Trade receivables - credit impaired	0.81	0.01	0.08	-	-	0.90
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	0.95	0.95

(INR in millions)

Particular	As at 31st Mar 2022	As at 31st March 2021
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	0.92	0.79
<b>Balances with banks:</b>		
In cash credit and current accounts	49.30	56.40
In EEFC accounts	-	-
Deposits with original maturity of less than three months	1.07	0.27
<b>Total</b>	<b>51.29</b>	<b>57.46</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



## Uniparts India Limited

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>10. LOANS</b>		
Current (Unsecured, considered good)		
Loans to employees	2.90	3.13
<b>Total</b>	<b>2.90</b>	<b>3.13</b>

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>Break up of financial assets carried at amortised cost</b>		
Other financial assets [Refer Note 5]	42.36	40.10
Trade receivables [Refer Note 8]	1,606.54	1,163.49
Cash and cash equivalents [Refer Note 9]	51.29	57.46
Loans [Refer Note 10]	2.90	3.13
<b>Total</b>	<b>1,703.09</b>	<b>1,264.18</b>

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>Break up of financial assets carried at fair value through OCI</b>		
Derivative instruments	18.91	26.94
<b>Total</b>	<b>18.91</b>	<b>26.94</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

Particular	As at 31st Mar 2022	As at 31st March 2021
<b>II. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
6,00,00,000 (March 31, 2021 : 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, 2021 : 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>

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

(INR in millions)

Particulars	As at 31st Mar 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	4,51,33,758	451.34	4,51,33,758	451.34
At the end of the year	4,51,33,758	451.34	4,51,33,758	451.34

ii 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.

ii Details of shareholders holding more than 5% shares:

(INR in millions)

Name of the Shareholder	As at 31st Mar 2022		As at 31st March 2021	
	Number	% holding in the class	Number	% holding in the class
Gurdeep Soni	89,95,090	19.93	89,95,090	19.93
Ashoka Investment Holdings Ltd	71,80,642	15.91	71,80,642	15.91
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	63,95,090	14.17	63,95,090	14.17
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	52,00,000	11.52	52,00,000	11.52
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	52,00,000	11.52	52,00,000	11.52
Pamela Soni	30,00,000	6.65	30,00,000	6.65
<b>Equity Shares at the end of the year</b>	<b>3,59,70,822</b>	<b>79.70</b>	<b>3,59,70,822</b>	<b>79.70</b>



11 Details of equity share held by promoters / promoter group

	As at 31st Mar 2022		As at 31st March 2021		% Change in the year
	Number	% holding in the class	Number	% holding in the class	
Gurdeep Soni	89,95,090	19.93%	89,95,090	19.93%	-
Paramjit Singh Soni	2,00,000	0.44%	2,00,000	0.44%	-
Pamela Soni	30,00,000	6.65%	30,00,000	6.65%	-
Angad Soni	20,00,000	4.43%	20,00,000	4.43%	-
Arjun Soni	20,00,000	4.43%	20,00,000	4.43%	-
Tanya Kohli	10,00,000	2.22%	10,00,000	2.22%	-
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	63,95,090	14.17%	63,95,090	14.17%	-
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company- NV)	52,00,000	11.52%	52,00,000	11.52%	-
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company- NV)	52,00,000	11.52%	52,00,000	11.52%	-
Jaswinder Singh Bhogal	1,02,948	0.23%	-	-	0.23%



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particular	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>12. OTHER EQUITY</b>		
<b>SECURITIES PREMIUM [Refer note 12.1]</b>		
As per last Balance Sheet	837.56	837.56
Add: Amount recognised during the year	8.43	-
	<b>845.99</b>	<b>837.56</b>
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	36.25	48.25
	<b>809.74</b>	<b>789.31</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 12.2]</b>		
As per last Balance Sheet	40.02	35.99
Add: Compensation for the year [Refer Note 23]	8.93	4.03
Less: Transfer to Securities premium	8.43	-
	<b>40.52</b>	<b>40.02</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	18.72	(26.56)
Add: Arising during the year	(6.00)	45.28
	<b>12.72</b>	<b>18.72</b>
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE [Refer note 12.4]</b>		
Balance at the beginning	34.95	36.04
Add: Arising during the year	30.00	-
Less: Adjusted during the year	27.13	1.09
Less: Transferred to the surplus/(deficit) in the statement of Profit and Loss	7.82	-
	<b>30.00</b>	<b>34.95</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS [Refer note 12.3]</b>		
As per last Balance Sheet	1,883.13	1,448.56
Add: Profit for the year	1,212.64	433.95
Add: Transfer from Special Economic Zone re-investment reserve	34.96	1.09
Add: Other Comprehensive Income:		
Re-measurement of defined benefit obligations (net of tax)	(8.54)	(0.40)
	<b>3,122.19</b>	<b>1,883.13</b>
Less: Appropriations		
Payment of dividend on equity shares	401.69	-
Tax on dividend	-	-
Reversal of tax on dividend	-	-
Transfer to Special Economic Zone re-investment reserve	30.00	-
	<b>431.69</b>	<b>-</b>
	<b>2,690.50</b>	<b>1,883.13</b>
<b>Total</b>	<b>3,583.48</b>	<b>2,766.13</b>

12 (a) Distribution made and proposed to be made

Particular	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>Cash dividends on equity shares declared and paid:</b>		
<b>Final dividend</b>		
For the year ended on Mar 31, 2021 Rs. 3.30 per share (March 31, 2020 : Rs. Nil per share)	148.94	-
<b>Interim dividend</b>		
For the year ended on Mar 31, 2022 Rs. 5.60 per share (March 31, 2021 : ₹ Nil per share)	252.75	-
	<b>401.69</b>	<b>-</b>



Proposed dividend on equity shares :

Interim\*/Final dividend

For the year ended on Mar 31, 2022 Rs. 3.60 per share (March 31, 2021 : ₹ 3.30 per share)

Total Dividend	162.48	148.94
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\*The Board of Directors of the Company in their meeting held on 22nd June 2022 has approved for payment of interim dividend. Accordingly, the Company has not recorded as a liability as at Mar 31, 2022

- 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 employees stock option outstanding account represents the fair value of stock options granted by the Company over the vesting period. The reserve will be utilised on exercise of the options by the employees.
- 12.3 Retained earnings is 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 unutilised reserve by the Company up to March 31, 2022 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 has been transferred to the surplus/(deficit) in the statement of profit and loss.





## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

Particulars	As at 31st Mar 2022	As at 31st March 2021
<b>13. BORROWINGS</b>		
Non-current borrowings		
Foreign currency term loans from banks (secured) [Refer Note 13.1]	-	-
Rupee term loans from banks (secured) [Refer Note 13.2]	-	33.33
<b>Total</b>	<b>-</b>	<b>33.33</b>
Current borrowings		
Current maturity of term loans from banks		
Foreign currency term loans from banks (secured) [Refer Note 13.1]	-	12.54
Rupee term loans from banks (secured) [Refer Note 13.2]	33.33	50.00
Working capital loans from banks repayable on demand#		
Foreign currency loans		
Preshipment packing credit (secured) [Refer note 13.3]	878.75	911.85
Rupee loans		
Preshipment packing credit (secured) [Refer note 13.3]	-	50.36
Working Capital Demand Loan (secured) [Refer note 13.3]	-	1.55
Bill discounting with banks (unsecured) [Refer note 13.4]	-	-
<b>Total</b>	<b>912.09</b>	<b>1,026.29</b>
<b>Total</b>	<b>912.08</b>	<b>1,026.30</b>

### 13.1 Foreign Currency Term Loans:

From Kotak Mahindra Bank Limited

Balance outstanding ₹ Nil (For March 31, 2021 ₹ 12.54 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.

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 Citibank N.A.

Balance outstanding ₹ 33.33 million (For March 31, 2021 ₹ 83.33 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 @ 5.25% ~ 6.25% p.a. on outstanding monthly balance.

### 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, and (ii) Equitable mortgage by way of first pari passu charge over the land and building situated at B208, A162, Phase II, Noida, UP.

Rate of Interest

# Ranges from LIBOR/SOFR+100 bps to 175 bps

13.4 The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts and there are no material differences required to be reported in respect of all the years referred above.



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>14. LEASE LIABILITIES</b>		
Non-current		
Lease liabilities	39.26	60.37
<b>Total</b>	<b>39.26</b>	<b>60.37</b>
Current		
Lease liabilities	22.40	25.34
<b>Total</b>	<b>22.40</b>	<b>25.34</b>

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>15. PROVISIONS</b>		
Non-current		
Provision for gratuity [Refer Note 32]	107.81	103.36
Provision for leave entitlement [Refer Note 32]	21.40	20.26
<b>Total</b>	<b>129.21</b>	<b>123.62</b>
Current		
Provision for gratuity [Refer Note 32]	29.37	28.16
Provision for leave entitlement [Refer Note 32]	3.83	3.81
<b>Total</b>	<b>33.20</b>	<b>31.97</b>

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>16. DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax assets	62.47	60.73
Deferred tax liabilities	145.69	164.29
<b>Total</b>	<b>83.22</b>	<b>103.56</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

	(INR in millions)			
	As at 31st March 2021	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	As at 31st March 2022
<b>Financial year 2021-22</b>				
Deferred tax assets				
Expenses deductible in future years	39.16	4.92	2.87	46.95
Lease Liabilities	21.57	-6.05		15.52
	60.73	-1.13	2.87	62.47
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	157.51	(16.59)	-	140.93
Fair valuation of Cash Flow Hedges	6.78	-	(2.02)	4.76
	164.29	(16.59)	(2.02)	145.69
<b>Total</b>	<b>103.56</b>	<b>(15.46)</b>	<b>(4.89)</b>	<b>83.22</b>
	As at 31st March 2020	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	As at 31st March 2021
<b>Financial year 2020-21</b>				
Deferred tax assets				
Expenses deductible in future years	42.56	(3.54)	0.14	39.16
Lease Liabilities	29.01	(7.44)	-	21.57
	71.57	(10.98)	0.14	60.73
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	174.32	(16.81)	-	157.51
Fair valuation of cash flow hedges	(8.45)	-	15.23	6.78
	165.87	(16.81)	15.23	164.29
<b>Total</b>	<b>94.30</b>	<b>(5.83)</b>	<b>15.09</b>	<b>103.56</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>17. OTHER LIABILITIES</b>		
Non-current		
Deferred government grant [Refer Note 17.1]	2.49	2.89
<b>Total</b>	<b>2.49</b>	<b>2.89</b>
Current		
Trade deposits and advances [Refer Note 17.2]	1.68	0.57
Provision for expenses	66.50	54.57
Employee benefits payable	96.03	93.34
Temporary overdraft from banks	-	2.49
Statutory dues payable	67.46	18.69
Deferred government grant [Refer Note 17.1]	0.26	0.26
<b>Total</b>	<b>231.93</b>	<b>169.92</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.

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>18. TRADE PAYABLES DUE TO</b>		
Micro and small enterprise [Refer Note 35]	310.98	322.83
Other than micro and small enterprise	378.15	383.62
<b>Total</b>	<b>689.13</b>	<b>706.45</b>

As at 31st March 2022					(INR in millions)
Particulars	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Payable ageing schedule					
Micro and small enterprise					
(i) enterprise	310.98	-	-	-	310.98
Other than micro and small enterprise					
(ii) small enterprise	376.20	0.17	-	1.78	378.15
<b>Total</b>	<b>687.18</b>	<b>0.17</b>	<b>-</b>	<b>1.78</b>	<b>689.13</b>

As at 31st March 2021					(INR in millions)
Particulars	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Payable ageing schedule					
Micro and small enterprise					
(i) enterprise	322.83	-	-	-	322.83
Other than micro and small enterprise					
(ii) small enterprise	378.77	2.19	1.76	0.90	383.62
<b>Total</b>	<b>701.60</b>	<b>2.19</b>	<b>1.76</b>	<b>0.90</b>	<b>706.45</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

(INR in millions)

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
Break up of financial liabilities carried at amortised cost		
Non-current borrowings [Refer Note 13]	-	33.33
Current borrowings [Refer Note 13]	912.08	1,026.30
Lease liabilities [Refer Note 14]	61.66	85.71
Trade payables [Refer Note 18]	689.13	706.45
<b>Total</b>	<b>1,662.87</b>	<b>1,851.79</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particular	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
19 REVENUE FROM OPERATIONS		
Sale of products		
Finished goods (Net of returns, rebate etc.) [Refer Note 34]	8,386.07	5,642.85
Scrap	357.27	184.36
Sale of services		
Job work receipts	7.40	2.80
	8,750.74	5,830.01
Other operating revenues		
Export incentives	75.12	81.35
Amortisation of deferred govt grants	0.39	0.39
	75.51	81.74
Total	8,826.25	5,911.75

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
20 OTHER INCOME		
Interest Income		
Interest	8.66	4.79
Net gain on investments carried at fair value through profit and loss	0.19	-
Dividend Income		
From non current investments:		
Dividend income from subsidiaries	301.00	100.80
Others		
Rental Income (Ind AS 116)	-	2.02
Lease receipts	2.87	2.43
Insurance Claim Received	0.02	10.83
Miscellaneous receipts	12.49	14.76
Total	325.23	135.63



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
21 COST OF MATERIALS CONSUMED		
Inventories at the beginning of the year	286.46	231.51
Add: Purchases	3,912.21	2,639.07
Less: Inventories at the end of the year	266.07	286.46
Cost of materials consumed	<b>3,932.60</b>	<b>2,584.12</b>

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP		
(Increase)/decrease in stocks:		
Inventories at the end of the year		
Finished goods	498.61	225.71
Work-in-progress	603.79	678.44
Scrap	6.11	5.69
	<b>1,108.51</b>	<b>909.84</b>
Inventories at the beginning of the year		
Finished goods	225.71	327.73
Work-in-progress	678.44	565.20
Scrap	5.69	5.72
	<b>909.85</b>	<b>898.65</b>
Total	<b>(198.66)</b>	<b>(11.19)</b>

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
23 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages [Refer Note 32]	1,119.30	919.54
Contribution to provident and other funds	49.06	44.56
Expense on employee stock option scheme [Refer Note 33]	7.98	4.58
Staff welfare expenses	74.44	51.30
Total	<b>1,250.78</b>	<b>1,019.98</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
24 FINANCE COSTS		
Interest	24.73	40.52
Bill discounting charges	-	0.96
Interest on lease liabilities	3.57	4.90
Other borrowing costs:		
Bank charges	5.54	3.88
Total	33.84	50.26





## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
<b>25 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation of tangible assets [Refer Note 3]	210.55	203.74
Depreciation of right-of-use assets [Refer Note 3]	30.59	36.71
Amortization of intangible assets [Refer Note 3]	9.01	7.72
<b>Total</b>	<b>250.15</b>	<b>248.17</b>

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
<b>26 OTHER EXPENSES</b>		
Stores, spares and tools consumed	604.48	409.64
Sub-contracting expenses	391.03	272.36
Power, fuel and water	411.83	284.79
Cartage, freight and forwarding	714.37	301.63
Air freight	46.59	91.52
Rent	3.48	3.85
Rates and taxes	8.29	9.77
Travelling and conveyance	10.97	4.45
Communication	6.38	7.83
Printing and stationery	5.89	4.72
Insurance	11.46	8.96
<b>Repairs and maintenance:</b>		
Building	32.85	22.64
Plant and machinery	106.61	76.69
Others	62.96	55.39
Office maintenance	17.26	16.65
Vehicle repairs and maintenance	3.01	2.73
Advertisement, publicity and sales promotion	1.99	0.95
Legal and professional charges	34.82	24.10
Directors sitting fees	0.89	0.96
Payment to auditors [Refer Note 26.1]	2.61	2.50
Exchange differences (net)	(97.96)	(51.29)
Bad debts	1.05	2.23
Staff recruitments	3.23	1.38
Loss on sale of fixed assets (net)	1.30	0.57
Donation and charity	0.62	0.42
Contribution towards CSR [Refer Note 36]	5.50	3.90
Fixed assets written-off	-	0.84
Miscellaneous	1.57	(0.15)
Fund Raising Expenses written-off	-	35.88
<b>Total</b>	<b>2,393.08</b>	<b>1,595.91</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

### 26.1 Payment to Auditors

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
As Auditors:		
Audit fees	2.20	2.20
In Other Capacity:		
Taxation Matters	-	-
Out of pocket expenses	0.41	0.30
<b>Total</b>	<b>2.61</b>	<b>2.50</b>

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
<b>27 TAX EXPENSES</b>		
Current tax	299.89	132.01
Deferred tax	(15.45)	(5.83)
Tax for earlier years (Net)	(7.39)	0.00
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>277.05</b>	<b>126.18</b>

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

Particulars	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
Accounting profit before tax from operations	1,489.69	560.13
Applicable Tax Rate	25.168%	25.168%
Income tax expense calculated at applicable tax rate	374.93	140.97
Items giving rise to difference in tax		
Exemption/Deduction u/s 10	(7.55)	
Deductions u/s 80	(75.73)	(25.86)
Expenses disallowed	19.82	18.37
Others	(11.58)	(1.47)
<b>Current Tax Provision</b>	<b>299.89</b>	<b>132.01</b>
Deferred tax liability on account of timing difference	(16.59)	(16.81)
Deferred tax assets on account of timing difference	(1.13)	(10.98)
<b>Deferred Tax Provision</b>	<b>(15.46)</b>	<b>(5.83)</b>
Tax for earlier years (Net)	(7.39)	
<b>Total tax expenses recognised</b>	<b>277.04</b>	<b>126.18</b>
<b>Effective tax rate</b>	<b>18.60%</b>	<b>22.53%</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

### 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 Mar 2022	Year ended 31st March 2021
Computation of Profit (Numerator)		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	1,212.64	433.95
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	0.92	1.03
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44.21	44.10
Computation of EPS - Basic (in INR)	27.43	9.84
Computation of EPS - Diluted (in INR)	26.87	9.62

### 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 Mar 2022	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	(INR in millions)
				Total
Re-measurement gains / (losses) of defined benefit plans		(11.42)	2.87	(8.55)
Effective portion of cash flow hedge	(8.02)		2.02	(6.00)
Total	(8.02)	(11.42)	4.89	(14.55)

Year ended 31st March 2021	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	(INR in millions)
				Total
Re-measurement gains / (losses) of defined benefit plans		(0.54)	0.14	(0.40)
Effective portion of cash flow hedge	60.51		(15.23)	45.28
Total	60.51	(0.54)	(15.09)	44.88



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Particular	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
<b>30 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):</b>		
(i) Contingent liabilities:		
(a) Claims against the company not acknowledged as debt:		
Sales Tax Matters	2.33	2.33
Excise Matters	0.21	0.21
Custom Matters	-	1.60
GST Matters	0.36	0.36
Labour Matters	Not Ascertainable	Not Ascertainable
(b) Income Tax Demands	46.61	65.53
(c) Others		
a) Guarantees given on behalf of the company by the Banks:		
Sales Tax Matters	0.03	0.03
Pollution Control Board	0.05	0.05
Gas Connections	2.68	2.68
b) Other money for which the company is contingently liable:		
Corporate Guarantee given to Banks against financial assistance to subsidiary	225.00	225.00
(ii) Capital Commitments		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	11.08	35.71

### 31 LEASE

(i) The following is the aggregate movement in lease liabilities during the period ended Dec 31, 2021:

Particular	As at	
	31st Mar 2022	31st March 2021
Opening Balance	85.71	115.27
Additions during the year	1.49	3.86
Deletion during the year	-	(3.27)
Finance cost accrued during the year	3.57	4.90
Payment of lease liabilities	(29.10)	(35.05)
Balance as at end of period/year	61.67	85.71



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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

Particular	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
Current lease liabilities	22.40	25.34
Non-current lease liabilities	39.26	60.37
<b>Total</b>	<b>61.66</b>	<b>85.71</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 Mar 2022	As at 31st March 2021
Payable within one year	22.40	25.34
Payable between one to five years	39.26	60.37
Payable after five years	-	-
<b>Total</b>	<b>61.66</b>	<b>85.71</b>



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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 2022	Year ended 31st March 2021
Expected Rate of Return on Plan Assets	7.23%	6.33%
Discounting Rate	7.23%	6.33%
Salary Escalation rate- Staff	10.00%	7.00%
Salary Escalation rate- Worker	8.00%	8.00%
Rate of Employee Turnover- Staff	13.00%	8.00%
Rate of Employee Turnover- Worker	1.00%	8.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	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 2022	(INR in millions) Year ended 31st March 2021
Present value of obligation as at the beginning of the year	155.61	140.04
Interest cost	9.85	9.23
Current service cost	14.19	12.57
Past Service Cost	-	-
Liability Transferred In/ Acquisitions (Liability Transferred Out/ Divestments)	(0.35)	-
(Benefit Paid Directly by the Employer)	(7.92)	(9.00)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	2.76	8.93
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	9.33	(7.34)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.44)	1.18
<b>Present Value of Benefit Obligation at the End of the year</b>	<b>183.03</b>	<b>155.61</b>

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

Particular	Year ended 31st March 2022	(INR in millions) Year ended 31st March 2021
Opening fair value of plan assets	24.10	20.51
Interest Income	1.53	1.35
Contributions	20.00	-
Benefits paid	-	-
Return on plan assets, excluding amount recognized in Interest Income -Gain /(Loss)	0.24	2.24
<b>Closing fair value of plan assets</b>	<b>45.87</b>	<b>24.10</b>

The amounts to be recognised in the Balance Sheet

Particular	Year ended 31st March 2022	(INR in millions) Year ended 31st March 2021
Present value of obligation as at the end of the year	(183.05)	(155.62)
Fair value of plan assets as at the end of the year	45.87	24.10
Funded Status (Surplus/ (Deficit))	(137.18)	(131.52)
<b>Net asset / (liability) to be recognised in balance sheet</b>	<b>(137.18)</b>	<b>(131.52)</b>



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Net Interest cost (Income/Expense)

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Present Value of Benefit Obligation at the Beginning of the year (Fair Value of Plan Assets at the Beginning of the year)	155.61	140.04
Net Liability/(Asset) at the Beginning	(24.10)	(20.51)
Interest Cost	131.52	119.53
(Interest Income)	9.85	9.23
	(1.53)	(1.35)
<b>Net Interest Cost for Current year</b>	<b>8.32</b>	<b>7.88</b>

Expense recognised in the statement of profit and loss

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Current service cost	14.19	12.57
Net Interest (Income) / Expense	8.33	7.88
Past Service Cost	-	-
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>22.52</b>	<b>20.45</b>

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial (Gains)/Losses on Obligation For the year	11.66	2.77
Return on Plan Assets, Excluding Interest Income	(0.24)	(2.24)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>11.42</b>	<b>0.53</b>

Reconciliation of net Liability/(Asset) recognised:

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Opening Net Liability	131.53	119.54
Expenses Recognized in Statement of Profit or Loss	22.52	20.45
Expenses Recognized in OCI	11.42	0.54
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(0.35)	0.00
(Benefit Paid Directly by the Employer)	(7.92)	(9.00)
(Employer's Contribution)	(20.00)	-
<b>Net Liability/(Asset) For the year Recognized in Balance Sheet</b>	<b>137.19</b>	<b>131.53</b>

The major categories of plan assets are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Insurance fund	45.87	24.10

Other Details

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
No of Active Members	1,824	1,840
Per Month Salary For Active Members	29.37	28.16
Weighted Average Duration of the Projected Benefit Obligation	11	9
Average Expected Future Service	13	9
Projected Benefit Obligation (PBO)	183.05	155.62
Prescribed Contribution For Next Year (12 Months)	29.37	28.16



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

Maturity Analysis of Projected Benefit Obligation: From the Employer

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	15.79	16.09
2nd Following Year	12.26	11.44
3rd Following Year	11.89	13.43
4th Following Year	13.86	12.44
5th Following Year	13.53	13.89
Sum of Years 6 To 10	72.02	66.50
Sum of Years 11 and above	275.71	134.54

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 2022	Year ended 31st March 2021
Decrease by 1%	17.60	11.84
Increase by 1%	(15.10)	(10.42)
	2.50	1.42

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 2022	Year ended 31st March 2021
Decrease by 1%	(14.67)	(10.10)
Increase by 1%	16.69	11.20
	2.02	1.10

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

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Decrease by 1%	1.65	0.61
Increase by 1%	(1.48)	(0.57)
	0.17	0.04

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count.

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





## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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	183.05	155.62
(Fair Value of Plan Assets at the End of the year)	(45.87)	(24.10)
Net Liability/(Asset) at the End of the year	137.18	131.52
Interest Cost	13.23	9.85
(Interest Income)	(3.32)	(1.53)
Net interest Cost for Next Year	9.92	8.33

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	16.35	14.19
Net Interest Cost	9.92	8.33
(Expected Contributions by the Employees)	-	-
Expenses Recognized	26.27	22.52

### 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, 2022 is ₹ 10.72 million and for the year ended March 31, 2021 is ₹3.85 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)	3.83	21.40	3.81	20.26
Total	3.83	21.40	3.81	20.26



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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-II and Grant-14 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 ₹48.25 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2022 is ₹ 41.39 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), 25,000 options @ ₹52.50 per option (Grant - 13), 102,948 options @ ₹52.50 per option (Grant - 14), 67,412 options @ ₹52.50 per option (Grant - 15) and 2,500 options @ ₹52.50 per option (Grant - 16) 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-I to Grant-10 and Grant-12, Grant-13, Grant-15 and Grant-16

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-II & Grant-14

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 2022	Year ended 31st March 2021
Outstanding at the beginning of the year	9,61,488	9,61,488
Bonus Issue during the year	-	-
Granted during the year	69,912	1,02,948
Forfeited/Surrendered during the year	(4,200)	(1,02,948)
Exercised during the year	1,11,198	-
Outstanding at the end of the year	9,16,002	9,61,488
Vested and Exercisable at the end of the year	7,74,723	6,37,565



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

(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 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021		
Grant-1	#####	89,754	89,754	-	-	135.00	96.45
Grant-2	#####	20,357	20,357	-	-	135.00	114.02
Grant-3	#####	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25-03-2011	22,785	22,785	-	-	105.00	56.69
Grant-5	#####	11,268	11,268	-	-	105.00	77.63
Grant-6	12-01-2013	22,535	22,535	-	-	105.00	67.19
Grant-7	#####	-	-	-	-	105.00	41.10
Grant-8	23-12-2013	5,000	5,000	-	-	105.00	47.08
Grant-9	15-02-2014	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	2,85,720	2,85,720	-	-	-	-
Grant-10	23-08-2014	19,600	19,600	-	-	52.50	32.50
Grant-11	#####	-	-	-	-	52.50	38.26
Grant-12	23-11-2018	2,32,550	2,42,500	0.65	1.65	52.50	53.34
Grant-13	#####	25,000	25,000	1.33	2.33	52.50	43.84
Grant-14	05-11-2020	-	1,02,948	-	0.58	52.50	77.68
Grant-15	27-07-2021	64,912	-	3.32	-	52.50	136.03
Grant-16	29-10-2021	2,500	-	3.58	-	52.50	136.03
		<b>9,16,002</b>	<b>9,61,488</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 16	Grant 15	Grant 14	Grant 13
Grant date share price	198.23	198.23	129.55	79.11
Exercise price	52.50	52.50	52.50	52.50
Expected volatility	48.30%	48.30%	50.30%	14.74%
Option Life	4.00	4.00	2.00	8.50
Dividend yield	3.00%	3.00%	2.30%	0.93%
Risk-free interest rate	5.26%	5.26%	4.19%	6.73%

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

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Expenses arising from equity - settled share-based payment transactions	7.98	4.58



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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 Mar 2022	Year ended 31st March 2021
<b>Information in respect of geographical areas</b>		
Segment revenue from external customers :		
Within India	3,071.65	2,362.16
Outside India (Excluding deemed export)	5,679.09	3,467.85
	<b>8,750.74</b>	<b>5,830.01</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 Mar 2022	Year ended 31st March 2021
USA	2,697.69	1,472.81
Asia Pacific	272.44	169.64
Europe	1,834.62	1,264.97
India	2,706.97	2,175.00
Japan	599.54	408.32
Rest of the World	274.80	152.12
	<b>8,386.07</b>	<b>5,642.85</b>
Sale of Scrap	357.27	184.36
Sale of Service	-	-
Job Work Receipts	7.40	2.80
<b>Total Revenue</b>	<b>8,750.74</b>	<b>5,830.01</b>

Major Product line Particular	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
3PL	5,538.67	3,821.64
FAB	140.91	89.13
HYD	3.13	16.51
PMP	2,411.69	1,537.76
PTO	200.75	113.75
Others	90.91	64.07
	<b>8,386.07</b>	<b>5,642.85</b>
Sale of Scrap	357.27	184.36
Sale of Service	-	-
Job Work Receipts	7.40	2.80
<b>Total Revenue</b>	<b>8,750.74</b>	<b>5,830.01</b>



## Notes



Uniparts India Limited

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### 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 Mar 2022	Year ended 31st March 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal	310.98	322.83
Interest	0.12	0.24
(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	0.36	0.24
(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.	0.02	0.02

### 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 Mar 2022	Year ended 31st March 2021	
a) Gross amount required to be spent by the Company during the year	5.47	3.86	
b) Amount spent during the year ending on		(INR in millions)	
Particulars	In cash	Yet to be paid in cash	Total
- March 31, 2022			
Construction/acquisitio	-	-	-
On purposes other than above	5.50	-	5.50
- March 31, 2021			
Construction/acquisitio	-	-	-
On purposes other than above	3.90	-	3.90
c) (Shortfall) / Excess at the end of the period/year		0.03	0.04
d) Total of previous years shortfall		-	-
e) Details of related party transactions		NA	NA



## Notes



Uniparts India Limited

### to the Standalone Financial Statements For the year ended 31st March, 2022

f) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year

g) Reason for shortfall: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013

h) Nature of CSR activities:

Educational & Health facilities	Educational facilities
---------------------------------	------------------------

### 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 3.15 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 Mar 2022	Year ended 31st March 2021
Opening Balance	3.15	3.55
Grant recognized during the year	-	-
Less : Amount recognized in statement of profit and loss*	(0.39)	(0.40)
Closing Balance	2.75	3.15
Non-current portion	2.49	2.89
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, 2022

### 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, 2022	% of voting power held as at March 31, 2021
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
Gripwel Conag Private Limited*	India	100.00	-

\* Gripwel Conag Private Limited was incorporated on 06th December 2021 as 100% subsidiary of Uniparts India Limited.

(b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
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 Ltd. (Formerly known as Ace Tractor Parts Ltd.)  
 SGA Trading Pvt. Ltd.  
 Tima Trading Pvt. Ltd.  
 Amazing Estates Pvt. Ltd.  
 C.K.P. Farms Pvt. Ltd.  
 Silveroak Estates Pvt. Ltd.  
 Bluebells Homes Pvt. Ltd. (Formerly known as Oilintec Pvt. Ltd.)  
 Sepoy Drinks Pvt Ltd  
 Charisma Homes LLP (Formerly known as Charisma Homes Pvt. Ltd.)  
 Avid Maintenance LLP (Formerly known as Avid Maintenance Pvt Ltd)  
 Sepoy Beverages LLP  
 Gripwel Fasteners (Partnership Firm)  
 Farmparts Company (Partnership Firm)  
 Soni Holdings (Partnership Firm)  
 Indento International (Partnership Firm)  
 P Soni Family Trust  
 Soni Foundation  
 Paramjit Singh (HUF)  
 Gurdeep Soni (HUF)  
 Leon India (Partnership Firm)  
 Paper Bag Entertainment Inc.  
 The Karan Soni 2018 CG-NG Nevada Trust  
 The Meher Soni 2018 CG-NG Nevada Trust



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

The Paramjit Soni 2018 CG-NG Nevada Trust  
Gifting Trust of Karan Soni (w.e.f. 18.12.2020)  
Gifting Trust of Meher Soni (w.e.f. 18.12.2020)  
Paramjit Soni Gifting Trust (w.e.f. 01.12.2020)  
Sarabjit Soni Gifting Trust (w.e.f. 01.12.2020)  
Uniparts ESOP Trust  
Ninety Hospitality LLP  
7 Days Film LLC

(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 (till: 11th April 2020)  
Sanjeev Kumar Chanana- Independent Director (w.e.f : 17th February 2022)  
Sharat Krishan Mathur- Independent Director  
Alok Nagory- Independent Director  
Shradha Suri- Independent Director  
Munish Sapra- Chief Financial Officer  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Mukesh Kumar - Company Secretary (till: 11th Feb 2021)  
Ashish Srivastava - Company Secretary (till: 18th January 2022)  
Jatin Mahajan (Company Secretary) (w.e.f : 22nd March 2022)

(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  
Tanya Kohli- Daughter of Gurdeep Soni

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





## Notes

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Uniparts India Limited

(ii) Outstanding balances

Particulars	(INR in millions)	
	As at 31st Mar 2022	As at 31st March 2021
1 Gripwel Fasteners Pvt. Ltd.		
-In Trade Account	51.76	36.81
-In Equity Shares	49.87	49.87
2 Uniparts USA Limited		
-In Trade Account	266.58	52.38
-In Common Stock	0.87	0.87
-In Preferred Stock	392.67	392.67
3 Uniparts Europe B.V.		
-In Equity Shares	71.06	71.06
4 Uniparts India GmbH		
-In Trade Account	193.49	201.09
-In Equity Shares	5.94	5.94
5 Uniparts Olsen Inc.		
-In Trade Account	36.98	33.86
6 Uniparts ESOP Trust		
-In Loan Account	41.39	53.39
7 Gripwel Conag Private Limited		
-In Equity Shares	30.00	-



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

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

Particulars	Relationship	(INR in millions)	
		Year ended 31st Mar 2022	Year ended 31st March 2021
<b>1 Purchase of Goods/Samples/Packing and Services</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	30.27	23.96
Uniparts India GmbH	Subsidiary	24.37	22.90
		<u>54.64</u>	<u>46.86</u>
<b>2 Sale of Goods/Service</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	1,060.09	741.72
Uniparts India GmbH	Subsidiary	873.36	643.14
Uniparts Olsen Inc.	Step-Down Subsidiary	1,058.12	667.59
Uniparts USA Limited	Subsidiary	1,299.84	695.76
		<u>4,291.41</u>	<u>2,748.21</u>
<b>3 Sale of Fixed Asset</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	-	3.42
		<u>-</u>	<u>3.42</u>
<b>4 Job Work income</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	7.21	2.80
		<u>7.21</u>	<u>2.80</u>
<b>5 Rent Paid</b>			
	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence		
Soni Holdings		0.91	0.91
		<u>0.91</u>	<u>0.91</u>
<b>6 Lease Rent on Machine Received</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.04	0.04
		<u>0.04</u>	<u>0.04</u>
<b>7 Air Freight Expenses</b>			
Uniparts India GmbH	Subsidiary	0.57	-
		<u>0.57</u>	<u>-</u>
<b>8 Current Account Receipts</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	14.74	7.62
		<u>14.74</u>	<u>7.62</u>
<b>9 Current Account Payments</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	14.74	7.62
		<u>14.74</u>	<u>7.62</u>



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

<b>10 Other Income</b>				
Uniparts Olsen Inc.	Step-Down Subsidiary	0.28	0.21	
Uniparts India GmbH	Subsidiary	25.96	30.16	
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.19	0.19	
		<u>26.43</u>	<u>30.56</u>	
<b>11 Guarantees and Collaterals Given</b>				
Gripwel Fasteners Pvt. Ltd.	Subsidiary	225.00	225.00	
		<u>225.00</u>	<u>225.00</u>	
<b>12 Guarantees and Collaterals Given by</b>				
Gripwel Fasteners Pvt. Ltd.	Subsidiary	100.00	200.00	
		<u>100.00</u>	<u>200.00</u>	
<b>13 Sitting fees</b>				
Alok Nagory	Independent Director	0.18	0.34	
Sharat Krishan Mathur	Independent Director	0.41	0.47	
Shradha Suri	Independent Director	0.20	0.15	
Sanjeev Kumar Chanan	Independent Director	0.10	-	
		<u>0.89</u>	<u>0.96</u>	
<b>14 Dividend Paid</b>				
Angad Soni	Relative of Key Managerial Personnel	17.80	-	
Curdeep Soni	Key Managerial Personnel	80.06	-	
Pamela Soni	Relative of Key Managerial Personnel	26.70	-	
Arjun Soni	Relative of Key Managerial Personnel	17.80	-	
Paramjit Singh Soni	Key Managerial Personnel	1.78	-	
Tanya Kohli	Relative of Key Managerial Personnel	8.90	-	
Uniparts ESOP Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	8.49	-	
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise	56.92	-	
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise	46.28	-	
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	46.28	-	
		<u>311.01</u>	<u>-</u>	
<b>15 Dividend Income</b>				
Gripwel Fasteners Pvt. Ltd.	Subsidiary	150.91	100.80	
Uniparts USA Limited	Subsidiary	150.10	-	
		<u>301.01</u>	<u>100.80</u>	
<b>16 Key Managerial Person Remuneration**</b>				
Sudhakar Simhachala Kolli	Group Chief Operating Officer	22.97	17.74	
Mukesh Kumar	Company Secretary	-	5.73	
Munish Sapra	Chief Financial Officer	13.56	11.83	
Ashish Srivastava	Company Secretary	1.91	-	
Jatin Mahajan	Company Secretary	0.25	-	
		<u>38.69</u>	<u>35.30</u>	



## Notes

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

17 ESOP Expenses to Key Managerial Person***			
Mukesh Kumar	Company Secretary	-	0.08
Sudhakar Simhachala Kolli	Group Chief Operating Officer	0.84	1.61
Munish Sapra	Chief Financial Officer	0.63	-
		1.47	1.69

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

to the Standalone Financial Statements For the year ended 31st March, 2022



Uniparts India Limited

		(INR in millions)	
39 Ratio as per the schedule III requirements		Year ended 31st Mar 2022	Year ended 31st March 2021
Particular			
(a) Current Ratio ^			
Current assets		3,454.87	2,817.39
Current Liabilities		1,913.64	1,989.13
Current ratio		1.81	1.42
% Change from previous year		27.46%	
(b) Debt-Equity Ratio #			
Debt (Borrowing)		912.08	1,059.63
Total Equity		4,029.68	3,212.33
Debt Service Coverage Ratio		0.23	0.33
% Change from previous year		-31.38%	
(c) Debt Service Coverage Ratio #			
Profit after tax for the year		1,212.64	433.95
Add: Non cash operating expense and finance cost		279.75	295.96
Depreciation and amortisation expense		250.15	248.17
Interest paid		28.30	46.38
Loss/(Profit) on sale of fixed assets		1.30	0.57
Fixed assets written-off		-	0.84
Earnings available for debt services		1,492.39	729.91
Interest paid		24.73	40.52
Lease repayments		29.10	35.05
Long term secured loans repaid		62.54	243.35
Total interest and principal repayments		116.37	318.92
Debt service coverage ratio		12.82	2.29
% Change from previous year		460.34%	
(d) Return on Equity Ratio #			
Profit after tax for the year		1,212.64	433.95
Average Equity		3,621.01	2,989.95
Return on equity ratio		33.49%	14.51%
% Change from previous year		130.74%	
(e) Inventory turnover ratio #			
Cost of materials consumed		3,932.60	2,584.12
Changes in inventories of finished goods, work-in-progress and scrap		(198.66)	(11.19)
Cost of goods sold		3,733.94	2,572.93
Average inventory		1,446.74	1,309.77
Inventory turnover ratio		2.58	1.96
% Change from previous year		31.38%	
(f) Trade Receivables turnover ratio			
Sale of goods and services		8,750.74	5,830.01
Average account receivable		1,385.02	1,005.29
Trade receivables turnover ratio		6.32	5.80
% Change from previous year		8.95%	
(g) Trade payables turnover ratio			
Purchases		3,912.21	2,639.07
Average trade payables		697.79	532.76
Trade payables turnover ratio		5.61	4.95
% Change from previous year		13.18%	
(h) Net capital turnover ratio			
Revenue from operations		8,826.25	5,911.75
Net working capital* (refer note below)		1,541.23	828.26
Net capital turnover ratio		5.73	7.14



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

% Change from previous year		-19.77%	
Note: Net working capital is calculated by reducing total current liabilities from total current assets.			
(i) Net profit ratio #			
Profit after tax for the year	1,212.64		433.95
Revenue from operations	8,826.25		5,911.75
Net profit ratio	13.74%		7.34%
% Change from previous year		87.17%	
(j) Return on Capital employed #			
Profit before tax	1,489.69		560.13
Finance costs	33.84		50.26
Earnings before interest and tax	1,523.53		610.39
Capital employed	5,011.77		4,373.66
Tangible net worth	4,029.68		3,212.33
Total Debt*	922.45		1,087.88
Deferred tax Liability	83.22		103.56
Intangible net worth	23.58		30.11
Return on capital employed	30.40%		13.96%
% Change from previous year		117.82%	
Total Debt* = Borrowings + Lease liabilities - Cash & cash equivalents			

^ The variation in current ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to decrease in current borrowing.

# Variation in coverage, turnover and other profitability ratios is primarily due to increase in turnover and profitability during the year ended March 31, 2022.



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 40 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 2022		As at 31st March 2021	
			Foreign Currency	INR	Foreign Currency	INR
1	Forward Contract	Hedging of highly probable sales	26.10	2,034.73	14.50	1,060.68
		Hedging of highly probable sales	2.00	177.07	2.00	171.60

The cash flow hedges of the expected future sales during the year ended March 31, 2022 were assessed to be effective and a unrealised gain/(loss) of ₹8.02 million, with a deferred tax assets of ₹2.02 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, 2021 were assessed to be highly effective and a unrealised loss of ₹60.51 million, with a deferred tax asset of ₹15.23 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 Mar 31, 2022 is detailed in Note 29 totaling (₹45.28) million (net of tax) [March 31, 2021: ₹36.12 million (net of tax)]. The amounts retained in OCI at Mar 31, 2022 are expected to mature and affect the statement of profit and loss till the year ended Mar 31, 2023.

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

### 41 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.



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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 Mar 2022	Year ended 31st March 2021
Variable rate borrowings		
Long Term	-	-
Short Term	878.75	963.75
<b>Total Variable rate borrowings</b>	<b>878.75</b>	<b>963.75</b>
Fixed rate borrowings		
Long Term	33.33	95.87
Short Term	-	-
<b>Total fixed rate borrowings</b>	<b>33.33</b>	<b>95.87</b>
<b>Total</b>	<b>912.08</b>	<b>1,059.62</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 Mar 2022	Year ended 31st March 2021
Interest rate - increase by 100 basis points (100 bps)*	(8.79)	(9.64)
Interest rate - decrease by 100 basis points (100 bps)*	8.79	9.64

\* 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.





## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

### 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 Mar 2022	Year ended 31st March 2021
a) Receivables	EUR	Sale	3.84	0.60
	JPY	Sale	43.72	20.71
b) Payables	USD	Purchase	0.01	0.01
	EUR	Purchase	-	-
c) Loans	USD	PCFC Loan/PSFC Loan	0.09	3.99
	USD	FCTL Loan	-	0.17
d) Bank	USD		-	-
e) Other Receivable	USD		0.08	0.06
f) Other Payables	JPY		2.91	2.41

### 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 Mar 2022	Year ended 31st March 2021
INR/USD-Increase by 5%	(0.04)	(15.01)
INR/EUR-Increase by 5%	16.11	2.57
INR/JPY-Increase by 5%	1.27	0.60
INR/USD-Decrease by 5%	0.04	15.01
INR/EUR-Decrease by 5%	(16.11)	(2.57)
INR/JPY-Decrease by 5%	(1.27)	(0.60)



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

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.

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 Mar 2022	Year ended 31st March 2021
Total Committed working capital limits from Banks	1,650.00	1,650.00
Less: Utilized working capital limit	878.75	963.76
Unutilized working capital limit	771.25	686.24

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 Mar 2022	Year ended 31st March 2021
Long Term Borrowings		
Upto 1 year	33.33	62.54
Between 1 to 5 years	-	33.33
Over 5 years	-	-



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

<b>2</b>	<b>Short Term Borrowings</b>		
	Upto 1 year	878.75	963.76
	Between 1 to 5 years	-	-
	Over 5 years	-	-
<b>3</b>	<b>Trade Payables</b>		
	Upto 1 year	689.13	706.45
	Between 1 to 5 years	-	-
	Over 5 years	-	-
<b>4</b>	<b>Lease Liabilities</b>		
	Upto 1 year	22.40	25.34
	Between 1 to 5 years	39.26	60.37
	Over 5 years	-	-
	<b>Total</b>	<b>1,662.87</b>	<b>1,851.79</b>

#### 42 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	As at	As at	As at
		31st Mar 2022	31st March 2021	31st Mar 2022	31st March 2021
<b>Financial Assets</b>					
Loan to Employees		2.90	3.13	2.90	3.13
Security Deposits		41.50	39.69	41.50	39.69
Derivative instruments	Level I	18.91	26.94	18.91	26.94
Trade Receivables		1,606.54	1,163.49	1,606.54	1,163.49
Cash & Bank Balances		51.29	57.46	51.29	57.46
Other Receivables		0.86	0.41	0.86	0.41
<b>Financial Liabilities</b>					
Borrowings		912.09	1,059.62	912.09	1,059.62
Trade Payables		689.13	706.45	689.13	706.45
Lease liabilities		61.66	85.71	61.66	85.71

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:

- 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.
- 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.
- 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.



## Notes



Uniparts India Limited

to the Standalone Financial Statements For the year ended 31st March, 2022

(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, 2022 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 Mar 2022	Year ended 31st March 2021
Derivatives		
Forward Currency Contract	18.91	26.94

#### 43 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 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.

Particular	(INR in millions)	
	Year ended 31st Mar 2022	Year ended 31st March 2021
Borrowings	912.09	1,059.62
Equity	4,029.68	3,212.33
Debt/Equity ratio	0.23	0.33

#### 44 Fund raising expenses

The Company has filed DRHP on April 28, 2022 for offer for sale of shares. The company has incurred various expenses in connection therewith which have been shown under the head "Fund raising expenses" in note no.6.



## Notes



**Uniparts India Limited**

**to the Standalone Financial Statements For the year ended 31st March, 2022**

### 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.

### 46 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: 22 JUN 2022

  
Gurdeep Soni  
(Chairman & Managing Director)  
[DIN: 00011478]  
  
Anilsh Sapra  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

Paramjit Singh Soni  
(Vice Chairman & Director)  
[DIN: 00011616]

Jatin Mahajani  
(Company Secretary)  
[FCS: 6887]



**RAKESH BANWARI & CO.**  
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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 Appendix-1 (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, 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, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated 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 consolidated 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 Consolidated Financial Statements.



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

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management discussion and analysis, Board's Report including annexures to Board's Report and Corporate Governance 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 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.

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

The Company's management and Board of Directors are responsible for the matters stated in sec. 134(5) of the Act with respect to 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 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 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 are responsible for overseeing the financial reporting process of each entity of the Group.

### **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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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, 2022. We also provide those charged with governance with the 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 5 subsidiaries and 1 step down subsidiary, whose financial statements include total assets of Rs. 650.55 crore as at March 31, 2022, and total revenues of Rs. 910.34 crore and net cash inflows of Rs. 3.79 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

1. 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 Ind AS 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, 2022 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, 2022 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.
  - g) 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, 2022 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.



- h) 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 30 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, 2022.
  - iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



v) As stated in Note 12(a) to the consolidated financial statements

a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries in India which have been audited by other auditors, whose reports have been furnished to us by the management included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Rakesh Banwari & Co.**

Chartered Accountants

Firm Registration No: 009732N



**(Rakesh Aggarwal)**

Proprietor

Membership Number: 088193

UDIN : 22088193ALMYQK8601



Place : New Delhi

Date : 22.06.2022

## **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, 2022 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, 2022 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 : 22088193ALMYQK8601

Place : New Delhi  
Date : 22.06.2022

**Appendix-I**  
**Appendix appended to Auditors' Report for the financial year 2021-22**

S. No.	Name of Subsidiary/step down subsidiary	Name of Auditor for the financial year ended March 31, 2022	Name of Auditor for the financial year ended March 31, 2021
1	Uniparts USA Ltd.	KNAV P.A.	KNAV P.A.
2	Uniparts Olsen Inc.	KNAV P.A.	KNAV P.A.
3	Uniparts Europe B.V.	Kroese Wevers Audit BV	Kroese Wevers Audit BV
4	Gripwel Fasteners Pvt. Ltd.	S. C Varma and Co., Chartered Accountants	S. C Varma and Co., Chartered Accountants
5	Uniparts India GmbH	dhpg Dr. Harzem & Partner mbB	dhpg Dr. Harzem & Partner mbB
6	Gripwel Conag Pvt. Ltd.	S. C Varma and Co., Chartered Accountants	Not Applicable



# Consolidated Balance Sheet

As at 31st March, 2022



Uniparts India Limited

(INR in millions)

	Notes	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	2,062.22	2,001.91
Right-of-Use Assets	3	531.84	578.00
Capital work-in-progress	3	21.97	22.87
Goodwill		617.89	590.01
Other intangible assets	3	35.19	54.23
Financial assets			
Other financial assets	4	47.08	44.49
Current tax assets (Net)		148.42	112.84
Other assets	5	26.12	22.32
<b>Total non-current assets</b>		<b>3,490.73</b>	<b>3,426.67</b>
<b>CURRENT ASSETS</b>			
Inventories	6	4,419.45	3,390.79
Financial assets			
Investments	7	-	12.50
Trade receivables	8	1,942.34	1,675.32
Cash and cash equivalents	9	139.95	108.18
Derivative instruments		35.62	35.38
Loans	10	3.00	3.44
Other financial assets	4	0.78	0.33
Other assets	5	279.96	280.09
<b>Total current assets</b>		<b>6,821.10</b>	<b>5,506.03</b>
<b>Total Assets</b>		<b>10,311.83</b>	<b>8,932.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	446.20	446.20
Other equity	12	6,406.17	5,136.29
<b>Total equity</b>		<b>6,852.37</b>	<b>5,582.49</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	48.61	57.17
Lease liabilities	14	234.13	278.57
Provisions	15	167.27	156.12
Deferred tax liabilities (Net)	16	247.88	285.45
Other liabilities	17	10.24	9.31
<b>Total non-current liabilities</b>		<b>708.13</b>	<b>786.62</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	1,224.12	1,220.59
Lease liabilities	14	72.43	65.32
Trade payables due to:	18		
Micro and small enterprises		364.05	380.06
Other than micro and small enterprises		531.78	520.86
Other liabilities	17	336.64	270.78
Provisions	15	54.73	54.73
Current tax payable		167.58	51.25
<b>Total current liabilities</b>		<b>2,751.33</b>	<b>2,563.59</b>
<b>Total equity and liabilities</b>		<b>10,311.83</b>	<b>8,932.70</b>
Significant accounting policies	18 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 : 27 JUN 2022

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]  
  
Jatinder Mahajan  
(Company Secretary)  
[FCS: 6887]



# Consolidated Statement of Profit and Loss

For the year ended 31st March, 2022



Uniparts India Limited

	Notes	Year ended 31st March 2022	Year ended 31st March 2021
(INR in millions)			
<b>INCOME</b>			
Revenue from operations	19	12,274.24	9,031.42
Other income	20	36.15	445.47
<b>Total Income</b>		<b>12,310.39</b>	<b>9,476.89</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	5,012.64	3,381.77
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	22	(997.01)	147.12
Employee benefits expense	23	2,196.85	1,854.48
Finance costs	24	56.99	81.07
Depreciation and amortization expenses	25	366.48	372.59
Other expenses	26	3,381.28	2,454.25
<b>Total expenses</b>		<b>10,017.23</b>	<b>8,291.28</b>
<b>Profit before tax</b>		<b>2,293.16</b>	<b>1,185.61</b>
<b>TAX EXPENSES</b>			
Current tax	27	654.95	246.63
Earlier years		(18.93)	0.80
Deferred tax		(30.66)	26.04
<b>Total tax expenses</b>		<b>605.36</b>	<b>273.47</b>
<b>Profit for the period/year</b>		<b>1,687.80</b>	<b>912.14</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss			
Re-measurement gains / (losses) of defined benefit plans		(13.80)	0.69
Income tax effect		3.47	(0.17)
		<b>(10.33)</b>	<b>0.52</b>
Items that will be reclassified to Profit or Loss			
Effective portion of cash flow hedge		0.24	89.87
Exchange differences in translating the financial statements of foreign operations		(23.82)	(43.50)
Income tax effect		(0.06)	(22.62)
		<b>(23.64)</b>	<b>23.75</b>
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(33.97)</b>	<b>24.27</b>
<b>Total comprehensive income for the year</b>		<b>1,653.83</b>	<b>936.41</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH</b>			
Basic (In ₹)	28	38.17	20.68
Diluted (In ₹)		37.40	20.21
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 : 27 JUN 2022



*Gurdeep Soni*  
Gurdeep Soni  
(Chairman & Managing Director)  
[DIN: 00011478]

*Munish Sapra*  
Munish Sapra  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

*Paramjit Singh Soni*  
Paramjit Singh Soni  
(Vice Chairman & Director)  
[DIN: 00011616]

*Jatin Mahajan*  
Jatin Mahajan  
(Company Secretary)  
[FCS: 6887]

# Consolidated Statement of Cash Flow

For the year ended 31st March, 2022



Uniparts India Limited

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	2,293.16	1,185.61
Adjustments for:		
Depreciation and amortization expenses	366.48	372.59
Interest expenses	31.11	53.61
Interest income	(8.75)	(7.82)
Deferred tax	(34.15)	21.17
Interest on lease liabilities	15.34	18.20
Expense on employee stock option scheme	8.93	4.03
Amount received to Uniparts Employees Stock Option Plan (ESOP) Trust	12.00	-
(Profit) / loss on sale of property, plant and equipment	1.31	8.23
Fixed assets written-off	-	0.84
Unrealised foreign exchange (gain)/ loss	(21.39)	(32.85)
Exchange difference on translation of assets and liabilities	(74.52)	(29.96)
<b>Operating profit before working capital changes</b>	<b>2,589.52</b>	<b>1,593.65</b>
Adjustments for changes in working capital :		
Increase/(decrease) in loans	0.44	(1.74)
(Increase)/decrease in other financial assets (non-current)	(2.58)	5.99
(Increase)/decrease in other non-current assets	(3.81)	(17.86)
(Increase)/decrease in inventories	(1,028.65)	138.39
(Increase)/decrease in trade receivables	(246.08)	(379.19)
(Increase)/decrease in other financial assets (current)	(0.45)	-
(Increase)/decrease in current tax assets (net)	(35.70)	(0.59)
(Increase)/decrease in other current assets	0.13	113.07
Increase/(decrease) in provisions (non-current)	(2.65)	18.56
Increase/(decrease) in other non-current liabilities	0.93	0.49
Increase/(decrease) in trade payables	(5.09)	319.25
Increase/(decrease) in other current liabilities	71.71	(24.52)
Increase/(decrease) in current tax liabilities	116.33	43.89
Increase/(decrease) in provisions (current)	0.01	(8.34)
<b>Cash generated from/(used in) operations</b>	<b>1,454.06</b>	<b>1,801.05</b>
Income tax (paid) / refunds	(605.36)	(273.47)
<b>Net cash flow from/ (used in) operating activities (a)</b>	<b>848.70</b>	<b>1,527.58</b>
<b>B. Cash flow from Investing activities:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(347.55)	(161.22)
Payments for purchase of intangible assets	(3.33)	(2.32)
Proceeds from sale of property, plant and equipment	4.12	10.83
(Investment)/Redemption in financial instrument	12.50	(12.50)
Interest received	8.75	7.82
<b>Net cash flow from/ (used in) Investing activities (b)</b>	<b>(325.51)</b>	<b>(157.39)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) from short term borrowings	3.99	(1,108.34)
Interest on lease liabilities	(15.34)	(18.20)
Payment of Lease Liabilities	(37.32)	(75.15)
Repayment of long term borrowings	(8.57)	(158.94)
Interest paid	(31.11)	(53.61)
Payment of dividend on equity shares	(404.88)	-
<b>Net cash flow from/ (used in) financing activities (c)</b>	<b>(493.23)</b>	<b>(1,414.24)</b>



# Consolidated Statement of Cash Flow

For the year ended 31st March, 2022



Uniparts India Limited

Net increase/(decrease) in cash and cash equivalents (a+b+c)	29.96	(44.05)
Opening balance of cash and cash equivalents	108.18	169.56
Net increase/(decrease) in temporary overdraft	(5.80)	(25.83)
Effects of exchange difference on cash and cash equivalent held in foreign currency	7.61	8.50
Closing balance of cash and cash equivalents [Refer Note 9]	<b>139.95</b>	<b>108.18</b>
Cash and cash equivalents comprises :		
Cash in hand	1.11	1.00
Balances with banks	138.84	107.18
Other bank balances	-	-

The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

Disclosure as required by Ind AS 7 - "Cash Flow Statements" - change in liabilities arising from financing activities:-

Particular	Year ended 31st March 2022	Year ended 31st March 2021
Opening balance	1,277.76	2,564.97
Non cash movement		
Exchange (Gain)/Loss	(0.45)	(19.93)
Interest Cost	31.11	53.61
Cash movement		
Principal repayment of long term borrowings	(8.57)	(158.94)
Net short term Borrowing	3.99	(1,108.34)
Interest Payment	(31.11)	(53.61)
Closing balance	<b>1,272.73</b>	<b>1,277.76</b>

As per our report of even date attached.

For Rakesh Banwari & Co.

Chartered Accountants

Firm Regn. No.009732N

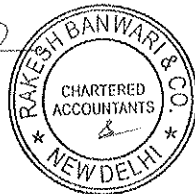
Rakesh Aggarwal

(Proprietor)

Membership No. 088193

Place : New Delhi

Date : 27 JUN 2022



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]  
  
Jatinder Mahajan  
(Company Secretary)  
[FCS: 6887]

# Consolidated Statement of Change in Equity

For the year ended 31st March, 2022



Uniparts India Limited

## A. EQUITY SHARE CAPITAL

	(INR in millions)	
	Amount	
Balance at 1st April, 2020	451.34	
Change during the year 2020-21	-	
Balance at 1st April, 2021	451.34	
Change during the year 2021-22	-	
Balance at 31st March, 2022	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		
Balance as at 1st April, 2021	837.56	12.05	5,064.20	60.87	40.02	(855.19)	25.03		5,184.54
Profit for the year	-	-	1,687.80	-	-	-	-	-	1,687.80
Other comprehensive income for the year	-	-	(10.33)	-	-	(23.82)	0.18		(33.97)
Total comprehensive income for the year	837.56	12.05	6,741.67	60.87	40.02	(879.01)	25.21		6,838.37
Transferred to the surplus/(deficit) in the statement of Profit and Loss	-	-	-	(11.98)	-	-	-		(11.98)
Transfer from special economic zone re-investment reserve	-	-	60.87	(48.89)	-	-	-		11.98
Transfer to special economic zone re-investment reserve	-	-	(30.00)	30.00	-	-	-		-
Amount recognised during the year	8.43	-	-	-	(8.43)	-	-		-
ESOP granted during the year	-	-	-	-	8.93	-	-		8.93
Amount recoverable from uniparts employees stock option	845.99	12.05	6,367.66	30.00	40.52	(879.01)	25.21		6,442.42
	(36.25)	-	-	-	-	-	-		(36.25)
Balance as at 31st March, 2022	809.74	12.05	6,367.66	30.00	40.52	(879.01)	25.21		6,406.17



# Consolidated Statement of Change in Equity

For the year ended 31st March, 2022



Uniparts India Limited

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		
Balance as at 1st April, 2020	837.56	12.05	4,140.57	71.84	35.99	(811.59)	(42.22)	4,244.10	
Profit for the year	-	-	912.14	-	-	-	-	912.14	
Other comprehensive income for the year	-	-	0.52	-	-	(43.50)	67.25	24.27	
Total comprehensive income for the year	837.56	12.05	5,053.23	71.84	35.99	(855.19)	25.03	5,180.51	
Transfer from Special Economic Zone re-investment reserve	-	-	10.97	(10.97)	-	-	-	-	
Amount recognised during the year	-	-	-	-	-	-	-	-	
ESOP granted during the year	-	-	-	-	4.03	-	-	4.03	
Amount recoverable from uniparts employees stock option	837.56	12.05	5,064.20	60.87	40.02	(855.19)	25.03	5,184.54	
	(48.25)	-	-	-	-	-	-	(48.25)	
Balance as at 31st March, 2021	789.31	12.05	5,064.20	60.87	40.02	(855.19)	25.03	5,136.29	

As per our report of even date attached.

For Rakesh Banwari & Co.

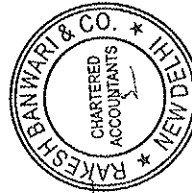
Chartered Accountants

Firm Regn. No. 009732N

Rakesh Aggarwal

(Proprietor)

Membership No. 088193



Place : New Delhi

Date :

Gurdeep Sori  
(Chairman & Managing Director)  
[DIN: 00011478]

Mahesh Sapra  
(Chief Financial Officer)

For and on behalf of Board of Directors of  
Uniparts India Limited

Paramjit Singh Soni

(Vice Chairman & Director)

[DIN: 00011616]

Jatin Mahajan

(Company Secretary)

[FCS: 6887]

## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

### 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 2022. 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 Griplwel 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 37.

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.

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, 2022 and March 31 2021. 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.



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

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, 2022 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.



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

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

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 32

#### 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 42 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.





## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

(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.

(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.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

(iii) Finished 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 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 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.



**Notes****to the Consolidated Financial Statements for the year ended 31st March, 2022****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.

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-deductible 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.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

### 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.

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).



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Uniparts India Limited

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### (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.



## Notes

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Uniparts India Limited

### 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.

#### 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 CCU 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.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

### 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.

### 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**

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**Uniparts India Limited**

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

Description	Gross Block				Depreciation/Amortisation and Depletion				Net Block	
	As at 1st April 2021	Exchange diff	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April 2021	Exchange diff	For the year	Deductions/ Adjustments	As at 31st March 2022	As at 31st March 2021
<b>Property, plant and equipment</b>										
<b>Quin Assets:</b>										
Land	34.33	-	-	-	-	-	-	-	34.33	34.33
Buildings	846.61	0.61	3.95	-	246.43	0.44	27.32	-	576.98	600.18
Plant & Machinery	3,135.25	28.25	295.59	22.39	1,875.84	23.45	208.96	17.26	1,345.71	1,259.41
Furniture & Fixtures	51.75	0.09	0.45	0.07	37.34	0.09	2.40	0.07	12.46	14.41
Vehicles	79.80	0.96	6.52	3.65	37.68	0.74	8.91	3.47	39.77	42.12
Office Equipments	125.39	2.51	10.31	1.23	102.92	2.35	8.61	1.16	24.26	22.47
Computers	136.39	0.72	9.95	0.13	107.40	0.54	10.40	0.12	28.71	28.99
Sub total	4,409.52	33.14	326.77	27.47	2,407.61	27.61	266.60	22.08	2,062.22	2,001.91
<b>Right-of-Use Assets:</b>										
Land	291.10	-	-	-	26.20	-	6.55	-	32.75	258.35
Buildings	415.00	11.26	-	-	120.51	2.81	61.65	-	184.97	294.49
Plant and Machinery	7.97	(0.01)	20.21	2.61	4.24	0.01	2.92	2.56	20.95	3.73
Vehicles	22.45	0.58	1.49	-	8.12	0.23	5.24	-	13.59	14.33
Computer	0.67	(0.01)	-	-	0.12	-	0.22	-	0.32	0.55
Sub total	737.19	11.82	21.70	2.61	159.19	3.05	76.58	2.56	531.84	578.00
Total (A)	5,146.71	44.96	348.47	30.08	2,566.80	30.66	343.18	24.64	2,594.06	2,579.91
<b>Other Intangible assets</b>										
Software	191.90	1.60	3.33	-	137.67	0.67	23.30	-	161.64	54.23
Total (B)	191.90	1.60	3.33	-	137.67	0.67	23.30	-	161.64	54.23
Total (A+B)	5,338.61	46.56	351.80	30.08	2,704.47	31.33	366.48	24.64	2,629.25	2,634.14
Previous Year	5,389.78	(40.95)	240.16	250.38	2,589.16	(26.80)	372.59	230.48	2,634.14	2,800.62
<b>Capital work-in-progress</b>										
Intangible assets under development									21.97	22.87





3.1) For Assesits given as security - Refer Note 13

3.2) Aging of Capital work in progress(CWIP):

As at 31st March 2022

Description	less 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	19.68	2.28	-	-	21.97
<b>Total</b>	<b>19.68</b>	<b>2.28</b>	<b>-</b>	<b>-</b>	<b>21.97</b>

As at 31st March 2021

Description	less 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	22.70	0.17	-	-	22.87
<b>Total</b>	<b>22.70</b>	<b>0.17</b>	<b>-</b>	<b>-</b>	<b>22.87</b>



## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2022



Uniparts India Limited

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>4. OTHER FINANCIAL ASSETS</b>		
Non-current		
Security deposits	46.94	44.36
Deposits with original maturity of more than twelve months	0.14	0.13
<b>Total</b>	<b>47.08</b>	<b>44.49</b>
Current		
Interest accrued but not due	0.78	0.33
<b>Total</b>	<b>0.78</b>	<b>0.33</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>5. OTHER ASSETS</b>		
Non-current (Unsecured, considered good)		
Capital advances	25.27	22.32
Pre-Operative Expenses pending allocation	0.85	-
<b>Total</b>	<b>26.12</b>	<b>22.32</b>
Current (Unsecured, considered good)		
Advances to suppliers [Refer Note 5.1]	19.36	16.63
Balance with customs, central excise, GST and state authorities	137.77	112.35
Government grant - export incentives receivable	43.86	110.53
Prepaid expenses	43.39	36.68
Advance payments, other recoverable in cash or in kind-or for value to be received	7.57	0.63
Advance rent	2.90	3.27
Fund raising expenses [Refer Note 4B]	25.11	-
<b>Total</b>	<b>279.96</b>	<b>280.09</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****Uniparts India Limited**

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Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>6. INVENTORIES</b>		
Raw materials (including materials in transit)	521.93	513.27
Work-in-progress	808.87	878.18
Finished goods (including goods at port)	2,908.06	1,771.19
Stores and spares (including materials in transit)	341.59	300.39
Scrap	7.56	7.13
	<b>4,588.01</b>	<b>3,470.16</b>
Less: Provision for obsolescence	168.56	79.37
<b>Total</b>	<b>4,419.45</b>	<b>3,390.79</b>

During the period ended March 31, 2022 in addition to above provision for obsolescence, Rs. 141.52 Millions (March 31, 2021 Rs. 161.13 ) was recognised as an expense for inventories carried at net realisable value.

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>7. INVESTMENTS</b>		
Current		
Investment in mutual fund (unquoted funds)	-	12.50
Nil units (Mar 31, 2021: 2483.92 units) of Nippon India Liquid Fund-G		
<b>Total</b>	<b>-</b>	<b>12.50</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>8. TRADE RECEIVABLES</b>		
Current (secured, considered good)		
Trade receivables	10.54	5.93
Current (Unsecured, considered good)		
Trade receivables	1,931.80	1,669.39
Credit Impaired	1.25	2.14
	<b>1,933.05</b>	<b>1,671.53</b>
<b>Impairment allowance (bad and doubtful debts)</b>		
Expected credit loss	(1.25)	(2.14)
<b>Total</b>	<b>1,942.34</b>	<b>1,675.32</b>

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



**Notes****Uniparts India Limited**

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As at 31st March 2022

Particulars	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>8.3 Trade Receivables ageing schedule</b>						
Outstanding for following periods from due date of payments						
(i) Undisputed Trade receivables -						
considered good	1,940.26	1.62	0.38	0.25	1.09	1,943.59
(ii) Undisputed Trade receivables - credit impaired	0.30	-	-	-	-	0.30
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	0.95	0.95

As at 31st March 2021

Particulars	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
<b>8.3 Trade Receivables ageing schedule</b>						
Outstanding for following periods from due date of payments						
(i) Undisputed Trade receivables -						
considered good	1,673.61	0.04	0.80	0.87	-	1,675.32
(ii) Undisputed Trade receivables - credit impaired	1.10	0.01	0.08	-	-	1.19
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	0.95	0.95



**Notes****Uniparts India Limited****to the Consolidated Financial Statements for the year ended 31st March, 2022**

Particular	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1.11	1.00
Balances with banks:		
In cash credit and current accounts	137.68	106.64
In EEFC accounts	0.09	0.27
Deposits with original maturity of less than three months	1.07	0.27
<b>Total</b>	<b>139.95</b>	<b>108.18</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>10. LOANS</b>		
Current (Unsecured, considered good)		
Loans to employees	3.00	3.44
<b>Total</b>	<b>3.00</b>	<b>3.44</b>



## Notes



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to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
Break up of financial assets carried at amortised cost		
Other financial assets [Refer Note 4]	47.86	44.82
Trade receivables [Refer Note 8]	1,942.34	1,675.32
Cash and cash equivalents [Refer Note 9]	139.95	108.18
Loans [Refer Note 10]	3.00	3.44
<b>Total</b>	<b>2,133.15</b>	<b>1,831.76</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
Break up of financial assets carried at fair value through OCI		
Derivative instruments	35.62	35.38
<b>Total</b>	<b>35.62</b>	<b>35.38</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
Break up of financial assets carried at fair value through FVTPL		
Investments [Refer Note 7]	-	12.50
<b>Total</b>	<b>-</b>	<b>12.50</b>



## Notes



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to the Consolidated Financial Statements for the year ended 31st March, 2022

Particular	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>II. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
6,00,00,000 (March 31, 2021 : 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, 2021 : 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:

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
	At the beginning of the year	4,51,33,758	451.34	4,51,33,758
At the end of the year	4,51,33,758	451.34	4,51,33,758	451.34

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:

Name of the Shareholder	As at 31st March 2022		As at 31st March 2021	
	Number	% holding in the class	Number	% holding in the class
Curdeep Soni	89,95,090	19.93	89,95,090	19.93
Ashoka Investment The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	71,80,642	15.91	71,80,642	15.91
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	63,95,090	14.17	63,95,090	14.17
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	52,00,000	11.52	52,00,000	11.52
Pamela Soni	52,00,000	11.52	52,00,000	11.52
	30,00,000	6.65	30,00,000	6.65
<b>Equity Shares at the end of the year</b>	<b>3,59,70,822</b>	<b>79.70</b>	<b>3,59,70,822</b>	<b>79.70</b>



## Notes



Uniparts India Limited

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### 11.4 Details of equity share held by promoters/ promoters group

	As at 31st March 2022		As at 31st March 2021		% Change in the year
	Number	% holding in the class	Number	% holding in the class	
Curdeep Soni	89,95,090	19.93%	89,95,090	19.93%	-
Paramjit Singh Soni	2,00,000	0.44%	2,00,000	0.44%	-
Pamela Soni	30,00,000	6.65%	30,00,000	6.65%	-
Angad Soni	20,00,000	4.43%	20,00,000	4.43%	-
Arjun Soni	20,00,000	4.43%	20,00,000	4.43%	-
Tanya Kohli	10,00,000	2.22%	10,00,000	2.22%	-
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	63,95,090	14.17%	63,95,090	14.17%	-
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	52,00,000	11.52%	52,00,000	11.52%	-
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	52,00,000	11.52%	52,00,000	11.52%	-
Jaswinder Singh Bhogal	1,02,948	0.23%	-	-	0.23%





## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particular	(INR In millions)	
	As at 31st March 2022	As at 31st March 2021
<b>12. OTHER EQUITY</b>		
<b>SECURITIES PREMIUM [Refer note 12.1]</b>		
As per last Balance Sheet	837.56	837.56
Add: Amount recognised during the year	8.43	-
	<b>845.99</b>	<b>837.56</b>
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	36.25	48.25
	<b>809.74</b>	<b>789.31</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 12.2]</b>		
As per last Balance Sheet	40.02	35.99
Add: Compensation for the year [Refer Note 23]	8.93	4.03
Less: Transfer to Securities premium	8.43	-
	<b>40.52</b>	<b>40.02</b>
<b>FOREIGN CURRENCY TRANSLATION RESERVE</b>		
As per last Balance Sheet	(855.19)	(811.69)
Add: Transfer during the year	(23.82)	(43.50)
	<b>(879.01)</b>	<b>(855.19)</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	25.03	(42.22)
Add: Arising during the year	0.18	67.25
	<b>25.21</b>	<b>25.03</b>
<b>GENERAL RESERVE [Refer note 12.3]</b>		
As per last Balance Sheet	12.05	12.05
	<b>12.05</b>	<b>12.05</b>
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE [Refer note 12.4]</b>		
Balance at the beginning	60.87	-
Add: Arising during the year	30.00	71.84
Less: Adjusted during the year	48.89	-
Less: Transferred to the surplus/(deficit) in the statement of Profit and Loss	11.98	10.97
	<b>30.00</b>	<b>60.87</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</b>		
As per last Balance Sheet	5,064.20	4,140.57
Add: Profit for the year	1,687.80	912.14
Add: Transfer from Special Economic Zone re-investment reserve	60.87	10.97
Add: Other Comprehensive Income:		
Re-measurement of defined benefit obligations (net of tax)	(10.33)	0.52
	<b>6,802.54</b>	<b>5,064.20</b>
Less: Appropriations		
Payment of dividend on equity shares	404.88	-
Transfer to Special Economic Zone re-investment reserve	30.00	-
	<b>434.88</b>	<b>-</b>
	<b>6,367.66</b>	<b>5,064.20</b>
Total	<b>6,406.17</b>	<b>5,136.29</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

### 12 (a) Distribution made and proposed to be made

Particular	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>Cash dividends on equity shares declared and paid:</b>		
<b>Final cash dividend</b>		
For the year ended on March 31, 2021 Rs. 3.30 per share (March 31, 2020 : Rs. Nil per share)	148.94	-
<b>Interim cash dividend</b>		
For the year ended on March 31, 2022 Rs. 5.60 per share (March 31, 2021 : ₹ Nil per share)	252.75	-
<b>Proposed dividend on equity shares :</b>		
<b>Interim*/Final dividend</b>		
For the year ended on Mar 31, 2022 Rs. 3.60 per share (March 31, 2021 : ₹ 3.30 per share)	162.48	148.94
<b>Total Dividend</b>	<b>162.48</b>	<b>148.94</b>

\*The Board of Directors of the Company in their meeting held on 22nd June 2022 has approved for payment of interim dividend. Accordingly, the Company has not recorded as a liability as at Mar 31, 2022

- 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 employees stock option outstanding account represents the fair value of stock options granted by the Company over the vesting period. The reserve will be utilised on exercise of the options by the employees.
- 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 unutilised reserve by the Company up to March 31, 2022 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 has been transferred to the surplus/(deficit) in the statement of profit and loss.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>13. BORROWINGS</b>		
Non-current borrowings		
Foreign currency term loans from bank (secured) [Refer Note 13.1.13.4]*	48.48	23.49
Other foreign currency loans (secured)[Refer Note 13.3]	0.13	0.35
Rupee term loans from bank (secured) [Refer Note 13.2]**	-	33.33
<b>Total</b>	<b>48.61</b>	<b>57.17</b>
Current borrowings		
Current maturity of term loans from banks		
Foreign currency term loans (secured) [Refer Note 13.1.13.4]*	21.01	29.12
Rupee term loans (secured) [Refer Note 13.2]**	33.33	50.00
Current maturity of term loans from others		
Foreign currency term loans (secured)[Refer Note 13.3]	0.13	0.14
Working capital loans from banks repayable on demand***		
Foreign currency loans		
Preshipment packing credit (secured) [Refer note 13.5]	878.75	911.85
Revolving Credit Facility/Lines of Credit [Refer note 13.5]	290.90	177.58
Rupee loans		
Preshipment packing credit (secured) [Refer note 13.5]	-	50.36
Working Capital Demand Loan (secured)	-	1.55
<b>Total</b>	<b>1,224.12</b>	<b>1,220.59</b>

Uniparts India Limited

13.1 Foreign Currency Term Loans:

From Kotak Mahindra Bank Limited

Balance outstanding ₹ Nil (For March 31, 2021 ₹ 12.54 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.

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

From Citibank N.A.

Balance outstanding ₹ 33.33 million (For March 31, 2021 ₹ 83.33 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 Cripwel Fasteners Pvt. Ltd.

Moratorium of 12 months from the date of drawdown and repayable in 48 equal monthly instalments along with fixed interest @ 5.25% ~ 6.25% p.a. on outstanding monthly balance.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Uniparts USA Limited

13.3 Foreign Currency Term Loans:

a) From Wells Fargo Equipment Finance

Balance outstanding ₹ Nil (For March 31, 2021 ₹ 0.14 million)

Above loan is secured by equipment financed.

Repayable with fixed monthly payments of \$ 786 through June, 2021, including interest rate @5.29% through June, 2021.

b) From BMW Financial Service NA LLC

Balance outstanding ₹ 0.25 million (For March 31, 2021 ₹ 0.35 million)

Above loan is secured by vehicle financed.

Repayable with fixed monthly payments of \$138, including interest rate @3.99% through April, 2021.

Uniparts Olsen Inc.

13.4 Foreign Currency Term Loans:

a) From JP Morgan Chase Bank, N.A.

Balance outstanding ₹ 69.50 million (For March 31, 2021 ₹ 40.08 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 \$ 6,256 through April 2022, \$ 12,636 through April 2024 and \$ 9,902 through March 2027. Interest is due monthly bearing interest rate at 2.50%~4.85%.

13.5 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, and (ii) Equitable mortgage by way of first pari passu charge over the land and building situated at B208, A162, Phase II, 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

\* Interest @ 3.00% to 4.00% p.a.

# Ranges from LIBOR/SOFR+100 bps to 175 bps

\*\*\* Ranges from LIBOR+100 bps to 175 bps

13.6 The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts and there are no material differences required to be reported in respect of all the years referred above.

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
14. LEASE LIABILITIES		
Non-current		
Lease liabilities	234.13	278.57
Total	234.13	278.57
Current		
Lease liabilities	72.43	65.32
Total	72.43	65.32



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>15. PROVISIONS</b>		
Non-current		
Provision for gratuity [Refer Note 32]	142.92	133.15
Provision for leave entitlement [Refer Note 32]	24.35	22.97
<b>Total</b>	<b>167.27</b>	<b>156.12</b>
Current		
Provision for gratuity [Refer Note 32]	37.51	36.03
Provision for leave entitlement [Refer Note 32]	17.22	18.70
<b>Total</b>	<b>54.73</b>	<b>54.73</b>

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>16. DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax assets	75.58	72.71
Deferred tax liabilities	323.46	358.16
<b>Total</b>	<b>247.88</b>	<b>285.45</b>

	As at 31st March 2021	Recognised In Profit and Loss account	Recognised in Other Comprehensiv e Income	Others Including exchange difference	As at 31st March 2022
<b>Financial year 2021-22</b>					
Deferred tax assets					
Expenses deductible in future	50.23	5.80	3.47	-	59.50
Lease Liabilities	22.48	(6.40)	-	-	16.08
	72.71	(0.60)	3.47	-	75.58
Deferred tax liabilities					
Property, Plant and Equipment	169.71	(17.98)	-	-	151.73
Fair valuation of Cash Flow	8.91	0.00	0.06	-	8.97
<b>On account of Overseas Subsidiaries</b>					
Deferred Tax Liabilities	179.54	(13.28)	-	(3.50)	162.76
	358.16	(31.26)	0.06	(3.50)	323.46
<b>Total</b>	<b>285.45</b>	<b>(30.66)</b>	<b>(3.41)</b>	<b>(3.50)</b>	<b>247.88</b>

	As at 31st March 2020	Recognised in Profit and Loss account	Recognised In Other Comprehensiv e Income	Others Including exchange difference	As at 31st March 2021
<b>Financial year 2020-21</b>					
Deferred tax assets					
Expenses deductible in future	53.38	(2.97)	(0.17)	-	50.23
Lease Liabilities	-	(6.66)	-	-	22.48
	53.38	(9.63)	(0.17)	-	72.71
Deferred tax liabilities					
Property, Plant and Equipment	187.94	(18.23)	-	-	169.71
Fair valuation of cash flow	(13.71)	0.00	22.62	-	8.91
<b>On account of Overseas Subsidiaries</b>					
Deferred Tax Liabilities	149.77	34.64	-	(4.87)	179.54
	324.00	16.41	22.62	(4.87)	358.16
<b>Total</b>	<b>270.62</b>	<b>26.04</b>	<b>22.79</b>	<b>(4.87)</b>	<b>285.45</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>17. OTHER LIABILITIES</b>		
Non-current		
Deferred Rent	7.75	6.42
Deferred government grant [Refer Note 17.1]	2.49	2.89
<b>Total</b>	<b>10.24</b>	<b>9.31</b>
Current		
Trade deposits and advances [Refer Note 17.2]	1.95	1.62
Provision for expenses	119.50	101.94
Employee benefits payable	136.75	125.07
Temporary overdraft from banks	2.93	8.77
Statutory dues payable	75.25	33.12
Deferred government grant [Refer Note 17.1]	0.26	0.26
<b>Total</b>	<b>336.64</b>	<b>270.78</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.

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
<b>18. TRADE PAYABLES DUE TO</b>		
Micro and small enterprise [Refer Note 35]	364.05	380.06
Other than micro and small enterprise	531.78	520.86
<b>Total</b>	<b>895.83</b>	<b>900.92</b>

As at 31st March 2022					(INR in millions)
Particulars	less 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Payable ageing schedule					
(i) Micro and small enterprise	364.05	-	-	-	364.05
(ii) Other than micro and small enterprise	523.52	22.15	0.04	6.07	531.78
<b>Total</b>	<b>887.57</b>	<b>22.15</b>	<b>0.04</b>	<b>6.07</b>	<b>895.83</b>

As at 31st March 2021					(INR in millions)
Particulars	less 1 years	1-2 years	2-3 years	More than 3 years	Total
Trade Payable ageing schedule					
(i) Micro and small enterprise	380.06	-	-	-	380.06
(ii) Other than micro and small enterprise	515.23	2.19	2.47	0.97	520.86
<b>Total</b>	<b>895.29</b>	<b>2.19</b>	<b>2.47</b>	<b>0.97</b>	<b>900.92</b>



## Notes



Uniparts India Limited

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Break up of financial liabilities carried at amortised cost

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
Break up of financial liabilities carried at amortised cost		
Non-current borrowings [Refer Note 13]	48.61	57.17
Current borrowings [Refer Note 13]	1,224.12	1,220.59
Lease liabilities [Refer Note 14]	306.56	343.89
Trade payables [Refer Note 18]	895.83	900.92
<b>Total</b>	<b>2,475.12</b>	<b>2,522.57</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
19 REVENUE FROM OPERATIONS		
Sale of products		
Finished goods (Net of returns, rebate etc.) [Refer Note 34]	11,767.75	8,688.64
Scrap	427.91	224.78
	<u>12,195.66</u>	<u>8,913.42</u>
Other operating revenues		
Export incentives	69.81	113.40
Amortisation of deferred govt grants	0.39	0.39
Revenue from Consignment sales	8.38	4.21
	<u>78.58</u>	<u>118.00</u>
<b>Total</b>	<b>12,274.24</b>	<b>9,031.42</b>

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
20 OTHER INCOME		
Interest Income		
Interest	8.75	7.82
Net gain on investments carried at fair value through profit and loss	0.75	0.30
Others		
Rental Income	-	2.02
Lease receipts	2.83	2.39
Insurance claim recoveries	0.02	249.82
Paycheck Protection Program [Refer Note 45]	-	160.87
Employee retention credit [Refer Note 46]	11.12	-
Other income ELDL grant	-	0.74
Miscellaneous receipts	12.68	21.51
<b>Total</b>	<b>36.15</b>	<b>445.47</b>

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
21 COST OF MATERIALS CONSUMED		
Inventories at the beginning of the year	488.40	482.19
Add: Purchases	5,004.07	3,387.98
Less: Inventories at the end of the year	479.83	488.40
<b>Cost of materials consumed</b>	<b>5,012.64</b>	<b>3,381.77</b>





## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP		
(Increase)/decrease in stocks: inventories at the end of the year		
Finished goods	2,803.08	1,724.01
Work-in-progress	788.37	870.86
Scrap	7.56	7.13
	3,599.01	2,602.00
inventories at the beginning of the year		
Finished goods	1,724.01	2,011.79
Work-in-progress	870.86	731.38
Scrap	7.13	5.96
	2,602.00	2,749.12
Total	(997.01)	147.12

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
23 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages [Refer Note 32]	2,023.42	1,724.46
Contribution to provident and other funds	71.92	62.47
Expense on employee stock option scheme [Refer Note 33]	8.93	4.03
Staff welfare expenses	92.58	63.52
Total	2,196.85	1,854.48

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
24 FINANCE COSTS		
Interest	31.11	53.61
Bill discounting charges	-	0.96
Interest on lease liabilities	15.34	18.20
Other borrowing costs:		
Bank charges	10.54	8.30
Total	56.99	81.07

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
25 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation of tangible assets [Refer Note 3]	266.60	270.78
Depreciation of right-of-use of assets [Refer Note 3]	76.58	80.29
Amortization of other intangible assets [Refer Note 3]	23.30	21.52
Total	366.48	372.59



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>26 OTHER EXPENSES</b>		
Stores, spares and tools consumed	735.66	506.37
Sub-contracting expenses	704.41	538.30
Power, fuel and water	477.30	333.39
Cartage, freight and forwarding	949.91	407.07
Air freight	91.30	131.23
Rent	43.36	47.06
Rates and taxes	27.64	25.34
Travelling and conveyance	15.24	6.61
Communication	13.46	16.12
Printing and stationery	7.77	5.97
Insurance	38.00	33.15
Repairs and maintenance:		
Building	43.32	29.67
Plant and machinery	141.75	105.85
Others	105.89	96.43
Office maintenance	25.38	22.06
Vehicle repairs and maintenance	10.12	8.84
Advertisement, publicity and sales promotion	5.89	1.56
Legal and professional charges	57.70	51.73
Directors sitting fees	1.05	1.12
Payment to auditors [Refer Note 26.1]	12.48	15.69
Exchange differences (net)	(146.67)	(66.38)
Bad debts	1.43	3.80
Staff recruitments	3.23	1.38
Loss on sale of fixed assets (net)	1.31	8.23
Donation and charity	0.86	0.73
Contribution towards CSR	10.00	7.60
Fixed assets written-off	-	0.84
Loss due to fire	-	75.25
Miscellaneous	3.49	3.36
Fund raising Expenses written-off	-	35.88
<b>Total</b>	<b>3,381.28</b>	<b>2,454.25</b>

### 26.1 Payment to Auditors

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
As Auditors:		
Audit fees	11.96	15.18
Tax Audit fee	0.07	0.07
GST Audit fee	-	0.10
In Other Capacity:		
Taxation Matters	0.04	0.04
Out of pocket expenses	0.41	0.30
<b>Total</b>	<b>12.48</b>	<b>15.69</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>27 TAX EXPENSES</b>		
Current tax	654.95	246.63
Deferred tax	(30.66)	26.04
Tax for earlier years (net)	(18.93)	0.80
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>605.36</b>	<b>273.47</b>
<b>Reconciliation of tax expenses and the accounting profit multiplied by the applicable tax rate</b>		
Particulars	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Accounting profit before tax from operations	2,293.16	1,185.61
Applicable Tax Rate	25.168%	25.168%
Income tax expense calculated at applicable tax rate	577.15	298.40
Items giving rise to difference in tax		
Exemption/Deduction u/s 10	(7.54)	-
Deductions u/s 80	(75.76)	(26.33)
Expenses disallowed	24.03	20.63
Others	(9.02)	0.05
Differential Tax Rate under various jurisdiction for Subsidiaries Companies	146.09	(46.12)
<b>Current Tax Provision</b>	<b>654.95</b>	<b>246.63</b>
Incremental deferred tax liability on Account of timing difference	(31.26)	16.41
Incremental deferred tax Assets on Account of timing difference	(0.60)	(9.63)
<b>Deferred Tax Provision</b>	<b>(30.66)</b>	<b>26.04</b>
Tax for earlier years (Net)	(18.93)	0.80
<b>Total tax expenses recognised</b>	<b>605.36</b>	<b>273.47</b>
<b>Effective tax rate</b>	<b>26.40%</b>	<b>23.07%</b>



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

#### 28 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 2022	Year ended 31st March 2021
Computation of Profit (Numerator)		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	1,687.80	912.14
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	0.92	1.03
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44.22	44.11
Computation of EPS – Basic (in INR)	38.17	20.68
Computation of EPS - Diluted (in INR)	37.40	20.21

#### 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 2022	Effective portion of cash flow hedge	Retained earnings	Foreign operations translation differences	Income tax/ Deferred tax	(INR in millions)
					Total
Re-measurement gains / (losses) of defined benefit plans	-	(13.80)	-	3.47	(10.33)
Exchange differences in translating the financial statements of foreign operations	-	-	(23.82)	-	(23.82)
Effective portion of cash flow hedg	0.24	-	-	(0.06)	0.18
<b>Total</b>	<b>0.24</b>	<b>(13.80)</b>	<b>(23.82)</b>	<b>3.41</b>	<b>(33.97)</b>

Year ended 31st March 2021	Effective portion of cash flow hedge	Retained earnings	Foreign operations translation differences	Income tax/ Deferred tax	(INR in millions)
					Total
Re-measurement gains / (losses) of defined benefit plans	-	0.69	-	(0.17)	0.52
Exchange differences in translating the financial statements of foreign operations	-	-	(43.50)	-	(43.50)
Effective portion of cash flow hedg	89.87	-	-	(22.62)	67.25
<b>Total</b>	<b>89.87</b>	<b>0.69</b>	<b>(43.50)</b>	<b>(22.79)</b>	<b>24.27</b>



## Notes



Uniparts India Limited

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Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>30 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):</b>		
(i) Contingent liabilities:		
(a) Claims against the company not acknowledged as debt:		
Sales Tax Matters	2.51	2.51
Excise Matters	0.21	0.21
Custom Matters	-	1.60
GST Matters	0.36	0.36
Labour Matters	Not Ascertainable	Not Ascertainable
(b) Income Tax Demands	46.63	78.65
(c) Sales Tax Liability against Pending Forms	-	0.36
(d) Others		
a) Guarantees given on behalf of the company by the Banks:		
Sales Tax Matters	0.03	0.03
Pollution Control Board	0.05	0.05
Gas Connections	2.68	2.68
Capital Commitments		
(ii) Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	35.87	38.01

### 31 LEASE

(i) The following is the aggregate movement in lease liabilities during the year ended March 31, 2022:

Particular	Year ended	
	31st March 2022	31st March 2021
Opening Balance	343.89	419.04
Additions during the year	21.37	6.58
Deletion during the year	-	(3.27)
Finance cost accrued during the year	15.34	18.20
Payment of lease liabilities	(83.11)	(88.69)
Exchange differences in translating the financial statements of foreign operations	9.07	(7.97)
Balance as at March 31, 2022	306.56	343.89



## Notes



Uniparts India Limited

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

Particular	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
Current lease liabilities	72.43	65.32
Non-current lease liabilities	234.13	278.57
<b>Total</b>	<b>306.56</b>	<b>343.89</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 2022	As at 31st March 2021
Payable within one year	72.43	65.32
Payable between one to five years	153.41	176.65
Payable after five years	80.72	101.92
<b>Total</b>	<b>306.56</b>	<b>343.89</b>



## Notes



Uniparts India Limited

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### 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 2022	Year ended 31st March 2021
Expected Rate of Return on Plan Assets	7.23%	6.33%
Discounting Rate of Uniparts India Limited	7.23%	6.33%
Discounting Rate of Gripwel Fasteners Private Limited UIL	6.84%	6.49%
Salary Escalation rate- Staff	10.00%	7.00%
Salary Escalation rate- Worker	8.00%	7.00%
Rate of Employee Turnover- Staff	13.00%	8.00%
Rate of Employee Turnover- Worker	1.00%	8.00%
GFPL		
Salary Escalation rate- Staff	10.00%	7.00%
Salary Escalation rate- Worker	8.00%	7.00%
Rate of Employee Turnover- Staff	13.00%	8.00%
Rate of Employee Turnover- Worker	1.00%	8.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	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 2022	Year ended 31st March 2021
Present value of defined benefit obligation as at the beginning of the year	193.28	176.41
Interest cost	12.29	11.50
Current service cost	15.96	14.31
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Benefit Paid Directly by the Employer)	(9.27)	(10.48)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	3.09	10.09
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	12.17	(9.64)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.23)	1.09
<b>Present Value of defined benefit obligation at the end of the year</b>	<b>226.29</b>	<b>193.28</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 2022	Year ended 31st March 2021
Opening fair value of plan assets	24.10	20.52
Interest income	1.53	1.35
Contributions	20.00	-
Return on plan assets, excluding amount recognized in Interest income -Gain /(Loss)	0.23	2.23
<b>Closing fair value of plan assets</b>	<b>45.86</b>	<b>24.10</b>



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

The amounts to be recognised in the Balance Sheet

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Present value of obligation as at the end of the year	(226.29)	(193.28)
Fair value of plan assets as at the end of the year	45.86	24.10
Funded Status (Surplus/ (Deficit))	(180.43)	(169.18)
<b>Net assets/(liability) to be recognised in balance sheet</b>	<b>180.43</b>	<b>169.18</b>

Net Interest cost (income/Expense)

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Present Value of Benefit Obligation at the Beginning of the year	(193.28)	(176.41)
Fair Value of Plan Assets at the Beginning of the year	24.10	20.52
Net Liability/(Assets) at the Beginning	169.18	155.89
Interest Cost	12.29	11.50
(Interest Income)	(1.53)	(1.35)
<b>Net Interest Cost for Current year</b>	<b>10.76</b>	<b>10.15</b>

Expense recognised in the statement of profit and loss

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Current service cost	15.96	14.31
Net Interest (Income) / Expense	10.76	10.15
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>26.72</b>	<b>24.46</b>

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial (Gains)/Losses on Obligation For the year	14.03	1.54
Return on Plan Assets, Excluding Interest Income	(0.23)	(2.23)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>13.80</b>	<b>(0.69)</b>

Reconciliation of net Liability/(Assets) recognised:

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Opening Net Liability	169.18	155.89
Expenses Recognized in Statement of Profit or Loss	26.72	24.46
Expenses Recognized in OCI	13.80	(0.69)
Net Liability/(Assets) Transfer In	0.35	-
Net (Liability)/Assets Transfer Out	(0.35)	-
(Benefit Paid Directly by the Employer)	(9.27)	(10.48)
(Employer's Contribution)	(20.00)	-
<b>Net Liability/(Assets) For the year Recognized in Balance Sheet</b>	<b>180.43</b>	<b>169.18</b>

The major categories of plan assets are as follows:

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Insurance fund	45.87	24.10





## Notes



Uniparts India Limited

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Other Details

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
No of Active Members	2,017	2,029
Per Month Salary For Active Members	34.99	33.45
Weighted Average Duration of the Projected Benefit Obligation	11.00	9.00
Average Expected Future Service	13.00	9.00
Projected Benefit Obligation (PBO)	226.30	193.28
Prescribed Contribution For Next Year (12 Months)	29.37	28.16

Maturity Analysis of Projected Benefit Obligation: From the Employer

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	23.94	23.96
2nd Following Year	14.86	14.11
3rd Following Year	15.77	16.91
4th Following Year	17.28	16.01
5th Following Year	17.72	17.31
Sum of Years 6 To 10	92.44	83.23
Sum of Years 11 and above	301.08	153.17

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 2022	Year ended 31st March 2021
Decrease by 1%	20.15	13.90
Increase by 1%	(17.39)	(12.27)
	2.76	1.63

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 2022	Year ended 31st March 2021
Decrease by 1%	(16.84)	(11.83)
Increase by 1%	19.02	13.08
	2.18	1.25

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 2022	Year ended 31st March 2021
Decrease by 1%	1.86	0.61
Increase by 1%	(1.67)	(0.57)
	0.19	0.04



## Notes



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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 (Fair Value of Plan Assets at the End of the year)	226.30	193.28
Net Liability/(Asset) at the End of the year	(45.87)	(24.10)
Interest Cost	180.43	169.18
(Interest Income)	16.19	12.29
Net Interest Cost for Next Year	(3.32)	(1.53)
	12.19	10.77

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	18.41	15.96
Net Interest Cost (Expected Contributions by the Employees)	12.88	10.77
Expenses Recognized	31.29	26.73

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, 2022 is ₹ 13.17 million and for the year ended March 31, 2021 is ₹ 4.76 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)	17.22	24.35	18.70	22.97
Total	17.22	24.35	18.70	22.97



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

#### 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 and Grant-14 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 ₹48.25 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2022 is ₹ 41.39 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), 25,000 options @ ₹52.50 per option (Grant - 13), 102,948 options @ ₹52.50 per option (Grant - 14), 67,412 options @ ₹52.50 per option (Grant - 15) and 2,500 options @ ₹52.50 per option (Grant - 16) 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, Grant-13, Grant-15 and Grant-16

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 & Grant-14

12 months from the date of Grant of Options 100

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

Particular	Year ended	Year ended
	31st March	31st March
	2022	2021
Outstanding at the beginning of the year	9,61,488	9,61,488
Granted during the year	69,912	1,02,948
Forfeited/Surrendered during the year	(4,200)	(1,02,948)
Exercised during the year	1,11,198	-
Outstanding at the end of the year	9,16,002	9,61,488
Vested and Exercisable at the end of the year	7,74,723	6,37,565



## Notes



Uniparts India Limited

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(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 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021		
Grant-1	08-02-2007	89,754	89,754	-	-	135.00	96.45
Grant-2	27-03-2008	20,357	20,357	-	-	135.00	114.02
Grant-3	27-03-2009	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25-03-2011	22,785	22,785	-	-	105.00	56.69
Grant-5	03-03-2012	11,268	11,268	-	-	105.00	77.63
Grant-6	12-01-2013	22,535	22,535	-	-	105.00	67.19
Grant-7	25-09-2013	-	-	-	-	105.00	41.10
Grant-8	23-12-2013	5,000	5,000	-	-	105.00	47.08
Grant-9	15-02-2014	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	2,85,720	2,85,720	-	-	-	-
Grant-10	23-08-2014	19,600	19,600	-	-	52.50	32.50
Grant-11	30-06-2015	-	-	-	-	52.50	38.26
Grant-12	23-11-2018	2,32,550	2,42,500	0.65	1.65	52.50	53.34
Grant-13	07-08-2019	25,000	25,000	1.33	2.33	52.50	43.84
Grant-14	05-11-2020	-	1,02,948	-	0.58	52.50	77.68
Grant-15	27-07-2021	64,912	-	3.32	-	52.50	136.03
Grant-16	29-10-2021	2,500	-	3.58	-	52.50	136.03
		<b>9,16,002</b>	<b>9,61,488</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 16	Grant 15	Grant 14	Grant 13
Grant date share price	198.23	198.23	129.55	79.11
Exercise price	52.50	52.50	52.50	52.50
Expected volatility	48.30%	48.30%	50.30%	14.74%
Option Life	4.00	4.00	2.00	8.50
Dividend yield	3.00%	3.00%	2.30%	0.93%
Risk-free interest rate	5.26%	5.26%	4.19%	6.73%

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

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Expenses arising from equity - settled share-based payment transactions	8.93	4.03



## Notes



Uniparts India Limited

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### 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 2022	Year ended 31st March 2021
<b>Information in respect of geographical areas</b>		
Segment revenue from external customers :		
Within India	2,074.79	1,658.06
Outside India (Excluding deemed export)	10,120.87	7,255.36
	<b>12,195.66</b>	<b>8,913.42</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.

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>Primary geographical markets</b>		
India	1,646.89	1,433.28
Japan	599.54	408.30
Europe	3,109.28	2,106.30
Asia Pacific	272.44	169.28
USA	5,757.69	4,349.15
Rest of the World	381.92	222.33
	<b>11,767.75</b>	<b>8,688.64</b>
Sale of Scrap	427.91	224.78
<b>Total Revenue</b>	<b>12,195.66</b>	<b>8,913.42</b>

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
<b>Major Product line</b>		
3PL	6,839.57	5,066.55
PMP	4,471.20	3,397.26
PTO	122.29	82.14
FAB	130.04	84.08
HYD	7.16	7.87
Others	197.48	50.73
	<b>11,767.75</b>	<b>8,688.64</b>
Sale of Scrap	427.91	224.78
<b>Total Revenue</b>	<b>12,195.66</b>	<b>8,913.42</b>



## Notes



**Uniparts India Limited**

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### 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 2022	Year ended 31st March 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal	364.05	380.06
Interest	0.12	0.28
(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	0.40	0.28
(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.	0.02	0.03

### 36 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 ₹3.55 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 2022	Year ended 31st March 2021
Opening Balance	3.15	3.54
Grant recognized during the year	-	-
Less : Amount recognized in statement of profit and loss*	(0.39)	(0.39)
Closing Balance	2.76	3.15
Non-current portion	2.49	2.89
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, 2022

#### 37 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, 2022	% of voting power held as at March 31, 2021
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
Gripwel Conag Private Limited*	India	100.00	-

\* Gripwel Conag Private Limited was incorporated on 06th December 2021 as 100% subsidiary of Uniparts India Limited.

(b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
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 Ltd. (Formerly known as Ace Tractor Parts Ltd.)  
SGA Trading Pvt. Ltd.  
Tima Trading Pvt. Ltd.  
Amazing Estates Pvt. Ltd.  
G.K.P. Farms Pvt. Ltd.  
Silveroak Estates Pvt. Ltd.  
Bluebells Homes Pvt. Ltd. (Formerly known as Oilntec Pvt. Ltd.)  
Sepoy Drinks Pvt Ltd  
Charisma Homes LLP (Formerly known as Charisma Homes Pvt. Ltd.)  
Auid Maintenance LLP (Formerly known as Auid Maintenance Pvt Ltd)  
Sepoy Beverages LLP  
Gripwel Fasteners (Partnership Firm)  
Farmparts Company (Partnership Firm)  
Soni Holdings (Partnership Firm)  
Indento International (Partnership Firm)  
P Soni Family Trust  
Soni Foundation  
Paramjit Singh (HUF)  
Gurdeep Soni (HUF)  
Leon India (Partnership Firm)  
Paper Bag Entertainment Inc.  
7 Days Film LLC  
The Karan Soni 2018 CG-NG Nevada Trust  
The Meher Soni 2018 CG-NG Nevada Trust  
The Paramjit Soni 2018 CG-NG Nevada Trust  
Gifting Trust of Karan Soni (w.e.f. 18.12.2020)  
Gifting Trust of Meher Soni (w.e.f. 18.12.2020)



## Notes



Uniparts India Limited

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Paramjit Soni Gifting Trust (w.e.f. 01.12.2020)  
Sarabjit Soni Gifting Trust (w.e.f. 01.12.2020)  
Uniparts ESOP Trust  
Ninety Hospitality LLP

(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 (till: 11th April 2020)  
Sanjeev Kumar Chanana-Independent Director (w.e.f : 17th February 2022)  
Sharat Krishan Mathur- Independent Director  
Parmeet Singh Kalra- Independent Director  
Alok Nagory- Independent Director  
Shradha Suri- Independent Director  
Munish Sapra- Chief Financial Officer  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Ashish Sriuastava - Company Secretary (till: 18th January 2022)  
Mukesh Kumar - Company Secretary (till: 11th Feb 2021)  
Divya Aggarwal (Company Secretary) (till: 17th April 2020)  
Deepika Sharma (Company Secretary) (w.e.f: 12th May 2020 to 10th April 2021)  
Jatin Mahajan (Company Secretary) (w.e.f : 22nd March 2022)

(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  
Tanya Kohli- Daughter of Gurdeep Soni  
\*Relatives of Key Managerial Personnel with whom transactions have taken place during the year

(ii) Outstanding balances

Particulars	(INR in millions)	
	As at 31st March 2022	As at 31st March 2021
I Uniparts ESOP Trust		
-in Loan Account	41.39	53.39





## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

Disclosure in respect of Related Party Transactions during the year:

Particulars	Relationship	(INR in millions)	
		As at 31st March 2022	As at 31st March 2021
<b>1 Rent Paid</b>			
	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence		
Soni Holdings		1.99	1.99
		<b>1.99</b>	<b>1.99</b>
<b>2 Sitting fees</b>			
Alok Nagory	Independent Director	0.18	0.34
Sharat Krishan Mathur	Independent Director	0.49	0.55
Shradha Suri	Independent Director	0.20	0.15
Parmeet Singh Kalra	Independent Director	0.08	0.08
Sanjeev Kumar Chanan	Independent Director	0.10	-
		<b>1.05</b>	<b>1.12</b>
<b>3 Dividend Paid</b>			
Angad Soni	Relative of Key Managerial Personnel	17.80	-
Gurdeep Soni	Key Managerial Personnel	80.06	-
Pamela Soni	Relative of Key Managerial Personnel	26.70	-
Arjun Soni	Relative of Key Managerial Personnel	17.80	-
Paramjit Singh Soni	Key Managerial Personnel	1.78	-
Tanya Kohli	Relative of Key Managerial Personnel	8.90	-
Uniparts ESOP Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	8.49	-
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	56.92	-
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	46.28	-
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	46.28	-
		<b>311.01</b>	<b>-</b>



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

4 Key Managerial Person Remuneration*			
Sudhakar Simhachala Kolli	Group Chief Operating Officer	22.97	17.74
Mukesh Kumar	Company Secretary	-	5.73
Munish Sapra	Chief Financial Officer	13.56	11.83
Gurdeep Soni	Key Managerial Personnel	25.83	17.34
Paramjit Singh Soni	Key Managerial Personnel	39.12	29.23
Herbert Klaus Coenen	Director	23.10	21.25
Jatin Mahajan	Company Secretary	0.25	-
Ashish Sriuastava	Company Secretary	1.91	-
Diya Aggarwal	Company Secretary	-	0.11
Deepika Sharma	Company Secretary	0.05	0.92
		<b>126.79</b>	<b>104.15</b>
5 ESOP Expenses to Key Managerial Person**			
Mukesh Kumar	Company Secretary	-	0.08
Sudhakar Simhachala Kolli	Group Chief Operating Officer	0.84	1.61
Munish Sapra	Chief Financial Officer	0.63	-
		<b>1.47</b>	<b>1.69</b>

Notes:

- \* 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, 2022

38 The consolidated financial statements include results of all the subsidiaries of Uniparts India Limited and interalia 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, 2022	% of voting power held as at March 31, 2021
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
Gripwel Conag Private Limited	India	100.00	-

(b) Step down Subsidiaries

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
Uniparts Olsen Inc.	USA	100.00	100.00



## Notes



**Uniparts India Limited**

### to the Consolidated Financial Statements for the year ended 31st March, 2022

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 Comprehensive	Amount	As % of Consolidated Total Comprehensive	Amount
<b>Parent:</b>								
Uniparts India Limited								
Balance as at March 31, 2022	59.33%	4,047.43	71.85%	1212.65	42.84%	(14.55)	72.44%	1198.10
Balance as at March 31, 2021	57.54%	3,212.32	47.57%	433.94	184.86%	44.88	51.13%	478.82
<b>Subsidiaries:</b>								
<b>- Indian</b>								
1 Cripwel Fasteners Private Limited								
Balance as at March 31, 2022	13.12%	895.43	18.53%	312.78	-12.96%	4.40	19.18%	317.19
Balance as at March 31, 2021	13.05%	728.73	23.60%	215.31	94.30%	22.89	25.44%	238.20
2 Cripwel Conag Private Limited								
Balance as at March 31, 2022	0.44%	30.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Balance as at March 31, 2021	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>- Foreign</b>								
1 Uniparts USA Limited								
Balance as at March 31, 2022	19.04%	1,299.14	19.10%	322.46	0.00%	0.00	19.50%	322.46
Balance as at March 31, 2021	19.88%	1,109.78	14.06%	128.28	0.00%	0.00	13.70%	128.28
2 Uniparts Olsen Inc.								
Balance as at March 31, 2022	24.73%	1,687.28	10.44%	176.18	0.00%	0.00	10.65%	176.18
Balance as at March 31, 2021	27.94%	1,559.81	15.32%	139.71	0.00%	0.00	14.92%	139.71
3 Uniparts Europe B.V.								
Balance as at March 31, 2022	0.77%	52.72	0.00%	(0.07)	0.00%	0.00	0.00%	(0.07)
Balance as at March 31, 2021	0.97%	53.90	-0.12%	(1.09)	0.00%	0.00	-0.12%	(1.09)
4 Uniparts India GmbH								
Balance as at March 31, 2022	3.68%	251.03	5.70%	96.15	0.00%	0.00	5.81%	96.15
Balance as at March 31, 2021	2.65%	147.70	5.40%	49.25	0.00%	0.00	5.26%	49.25
<b>Adjustments arising out of consolidation</b>								
Balance as at March 31, 2022	-20.68%	(1410.67)	-25.61%	(432.37)	70.13%	(23.83)	-27.58%	(456.20)
Balance as at March 31, 2021	-22.03%	(1229.75)	-5.84%	(53.26)	-179.16%	(43.51)	-10.33%	(96.77)
<b>Total after elimination on account of consolidation-</b>								
March 31, 2022	100.00%	6,852.36	100.00%	1,687.78	100.00%	-33.97	100.00%	1,653.81
<b>Total after elimination on account of consolidation-</b>								
March 31, 2022	100.00%	5,582.49	100.00%	912.14	100.00%	24.27	100.00%	936.41



## Notes

to the Consolidated Financial Statements for the year ended 31st March, 2022



Uniparts India Limited

### 39 Ratio as per the schedule III requirements

(INR in millions)

Particular	Year ended 31st March 2022	Year ended 31st March 2021
(a) Current Ratio		
Total current assets	6,821.10	5,506.03
Total current Liabilities	2,751.33	2,563.59
Current ratio	2.48	2.15
% Change from previous year	15.43%	
(b) Debt-Equity Ratio		
Debt (Borrowing)	1,272.74	1,277.77
Total Equity	6,852.42	5,582.49
Debt Equity Ratio	0.19	0.23
% Change from previous year	-18.85%	
(c) Debt Service Coverage Ratio #		
Profit after tax for the period / year	1,687.83	912.15
Add: Non cash operating expense and finance cost	414.24	454.44
Depreciation and amortisation expense	366.48	372.59
Interest	46.45	72.78
Loss/(Profit) on sale of fixed assets	1.31	8.23
Fixed assets written-off	-	0.84
Earnings available for debt services	2,102.07	1,366.59
Interest paid	46.45	72.78
Lease repayment	83.09	88.69
Long term secured loans repaid	33.36	269.92
Total interest and principal repayments	162.90	431.39
Debt service coverage ratio	12.90	3.17
% Change from previous year	307.34%	
(d) Return on Equity Ratio #		
Profit after tax for the period / year	1,687.80	912.14
Average Equity	6,217.46	5,112.27
Return on equity ratio	27.15%	17.84%
% Change from previous year	52.15%	
(e) Inventory turnover ratio		
Cost of materials consumed	5,012.65	3,381.77
Changes in inventories of finished goods, work-in-progress and scrap	(997.00)	147.13
Cost of goods sold	4,015.65	3,528.90
Average inventory	3,905.11	3,459.98
Inventory turnover ratio	1.03	1.02
% Change from previous year	0.82%	
(f) Trade Receivables turnover ratio		
Sale of goods and services	12,204.04	8,917.64
Average account receivable	1,808.83	1,479.26
Trade receivables turnover ratio	6.75	6.03
% Change from previous year	11.92%	



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

(g) Trade payables turnover ratio		
Purchases	5,004.07	3,387.98
Average trade payables	898.37	741.29
Trade payables turnover ratio	5.57	4.57
% Change from previous year	21.88%	
(h) Net capital turnover ratio		
Revenue from operations	12,274.25	9,031.43
Net working capital* (refer note below)	4,069.74	2,942.46
Net capital turnover ratio	3.02	3.07
% Change from previous year	-1.74%	
Note: Net working capital is calculated by reducing total current liabilities from total current assets.		
(i) Net profit ratio #		
Profit after tax for the period / year	1,687.83	912.15
Revenue from operations	12,274.25	9,031.43
Net profit ratio	13.75%	10.10%
% Change from previous year	36.15%	
(j) Return on Capital employed #		
Profit before tax	2,293.16	1,185.61
Finance costs	56.98	81.07
Earnings before interest and tax	2,350.14	1,266.68
Capital employed	7,886.57	6,737.17
Net worth	6,852.42	5,582.49
Total Debt*	1,439.35	1,513.47
Deferred tax Liability	247.88	285.45
Intangible assets	653.08	644.24
Return on capital employed	29.80%	18.80%
% Change from previous year	58.50%	

Total Debt\* = Borrowings + Lease liabilities - Cash & cash equivalents

# Variation in coverage, turnover and other profitability ratios is primarily due to increase in turnover and profitability during the year ended March 31, 2022.



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

#### 40 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. Nominal amounts of outstanding forward contracts are as follows :

S No	Name of Bank		(INR in millions)				
			As at 31st March 2022		As at 31st March 2021		
			Foreign Currency	INR	Foreign Currency	INR	
1	Forward Contract	USD	Hedging of highly probable sales	38.20	2,985.13	17.70	1,302.70
2	Forward Contract	EUR	Hedging of highly probable sales	4.00	354.04	3.00	265.47
3	Forward Contract	AUD	Hedging of highly probable sales	0.50	29.03	3.00	265.47

The cash flow hedges of the expected future sales during the year ended March 31, 2022 were assessed to be effective and an unrealised profit of ₹0.24 million, with a deferred tax liability of ₹0.06 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, 2021 were assessed to be effective and an unrealised profit of ₹89.87 million, with a deferred tax liability of ₹22.62 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, 2022 is detailed in Note 29 totaling ₹67.25 million (net of tax) [March 31, 2021: ₹(51.78) million (net of tax)]. The amounts retained in OCI at March 31, 2021 are expected to mature and affect the statement of profit and loss up to one year.

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

#### 41 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.



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

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 2022	Year ended 31st March 2021
Variable rate borrowings		
Short Term	1,169.65	1,141.34
<b>Total Variable rate borrowings</b>	<b>1,169.65</b>	<b>1,141.34</b>
Fixed rate borrowings		
Long Term	103.08	136.43
<b>Total fixed rate borrowings</b>	<b>103.08</b>	<b>136.43</b>
<b>Total</b>	<b>1,272.73</b>	<b>1,277.77</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 2022	Year ended 31st March 2021
Interest rate - increase by 100 basis points (100 bps)*	(11.70)	(11.41)
Interest rate - decrease by 100 basis points (100 bps)*	11.70	11.41

\* 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.





## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

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 period 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 2022	Year ended 31st March 2021
a) Receivables	USD	Sale	4.06	3.43
	EUR	Sale	5.87	1.33
	JPY	Sale	43.72	20.71
	AUD	Sale	0.83	0.51
	GBP	Sale	0.39	0.44
b) Payables	USD	Purchase	0.50	0.47
c) Loans	USD	PCFC Loan/PSFC Loan	0.09	3.99
	USD	FCFL Loan	-	0.17
d) Bank	USD	EEFC	-	-
	EUR	EEFC	-	-
e) Other Receivable	USD		0.08	0.06
f) Other Payables	USD		-	0.01
	JPY		2.92	2.42

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 2022	Year ended 31st March 2021
INR/USD-Increase by 5%	13.48	(4.20)
INR/EUR-Increase by 5%	24.68	5.72
INR/GBP-Increase by 5%	1.96	2.22
INR/JPY-Increase by 5%	1.27	0.60
INR/AUD-Increase by 5%	2.34	1.43
INR/USD-Decrease by 5%	(13.48)	4.20
INR/EUR-Decrease by 5%	(24.68)	(5.72)
INR/GBP-Decrease by 5%	(1.96)	(2.22)
INR/JPY-Decrease by 5%	(1.27)	(0.60)
INR/AUD-Decrease by 5%	(2.34)	(1.43)

#### 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.



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

#### 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 period ended March 31, 2022, and year ended March 31, 2021 our provision for doubtful debts is amounted to ₹1.25 million and ₹2.14 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.

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Total Committed working capital limits from Banks	2,406.51	2,628.40
Less: Utilized working capital limit	1,169.65	1,141.34
Unutilized working capital limit	1,236.86	1,487.06

#### 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 2022	Year ended 31st March 2021
<b>1 Long Term Borrowings</b>		
Upto 1 year	54.47	79.26
Between 1 to 5 years	48.61	57.17
Over 5 years	-	-
<b>2 Short Term Borrowings</b>		
Upto 1 year	1,169.65	1,141.33
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>3 Trade Payables</b>		
Upto 1 year	895.83	900.92
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>4 Lease Liabilities</b>		
Upto 1 year	72.43	65.32
Between 1 to 5 years	153.41	176.65
Over 5 years	80.72	101.92
<b>Total</b>	<b>2,475.12</b>	<b>2,522.57</b>



## Notes



Uniparts India Limited

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### 42 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 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>Financial Assets</b>					
Loan to Employees		3.00	3.44	3.00	3.44
Security Deposits		46.94	44.36	46.94	44.36
Derivative instruments	Level I	35.62	35.38	35.62	35.38
Investments		-	12.50	-	-
Trade Receivables		1,942.34	1,675.32	1,942.34	1,675.32
Cash & Bank Balances		139.95	108.18	139.95	108.18
Other Receivables		0.92	0.46	0.92	0.92
<b>Financial Liabilities</b>					
Borrowings		1,272.73	1,277.76	1,272.73	1,277.76
Trade Payables		895.83	900.92	895.83	900.92
Lease Liabilities		306.56	343.89	306.56	343.89

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, 2022 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 FVTOC:

Particular	(INR in millions)	
	Year ended 31st March 2022	Year ended 31st March 2021
Derivatives		
Forward Currency Contract	35.62	35.38



## Notes



Uniparts India Limited

### to the Consolidated Financial Statements for the year ended 31st March, 2022

#### 43 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 2022	Year ended 31st March 2021
Borrowings	1,272.74	1,277.77
Equity	6,852.42	5,582.49
Debt/Equity ratio	0.19	0.23

#### 44 Treatment in respect of insurance, Fire and Other Claims

##### Related to India Plants

During the year ended 31st March 2020, incident of fire had occurred in the two plants and the claims amounting to Rs. 10.83 millions have been settled and recognised during the year ended 31st March 2021. The expenses incurred in this regard have been charged directly under various heads of related expenses.

##### Related to USA Plant

The step-down subsidiary had an incident of fire in the plant and suffered property damages during the year ended March 31, 2020. The insurance claim for the same has been settled during the year ended March 31, 2021. During the year ended March 31, 2021, the step-down subsidiary incurred expenses related to fire amounting to ₹ 75.25 millions and has recognized insurance claim recoveries amounting to ₹ 238.36 million.

#### 45 Paycheck Protection Program ("PPP")

During the year ended 31st March 2021, Uniparts USA Limited of the subsidiary of the company has received a loan amounting to Rs. 160.87 millions from JPMorgan Chase, N.A. (the "Loan") pursuant to the Paycheck Protection Program ("PPP") under the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was enacted on 27th March 2020. The company has received forgiveness as per SBA guidelines for the said PPP loan during the current period based on the "Qualifying expenses" incurred during the utilization period. The qualifying expenses incurred in relation to the claim of the said loan have been accounted for under the respective expense heads including cost of goods sold, selling, general and administration expenses etc. Following the guidance of IAS 20 in line with Ind AS 20 (Accounting for Government Grants and disclosure of Government Assistance), the loans proceeds have been shown under the head "Other income" amounting to Rs. Nil for the period ended 31st March 2022 and Rs. 160.87 millions for the year ended 31st March 2021.



## Notes



Uniparts India Limited

to the Consolidated Financial Statements for the year ended 31st March, 2022

46 Employee retention credit ("ERC")

During the year ended 31st March 2022, Uniparts Olsen Inc. the Step down Subsidiary of the company has received benefits under the ERC scheme, established under the CARES Act, which is intended to help businesses to retain their workforces and to avoid layoffs during the coronavirus pandemic. The company has received amount of Rs. 11.12 million on account of ERC refund, which have been shown under the head "Other income" in the statement of profit and loss.

47 The shareholder of Uniparts Europe B.V. in their Extraordinary General meeting has decided to proceed for the Voluntary liquidation of the company and started the process of winding-up. The management is of the view that the Uniparts Europe B.V. will meets all its obligations and no impairment is required as on 31st March 2022.

48 Fund raising expenses

The Company has filed DRHP on April 25, 2022 for offer for sale of shares. The company has incurred various expenses in connection therewith which have been shown under the head "Fund raising expenses" in note no. 5.

49 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.

50 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 : 27 JUN 2022



Gurdeep Soni

(Chairman & Managing Director)

[DIN: 00011478]

Manish Sapra

(Chief Financial Officer)

For and on behalf of Board of Directors of

Uniparts India Limited,

Paramjit Singh Soni

(Vice Chairman & Director)

[DIN: 00011619]

Jatlin Mahajan

(Company Secretary)

[FCS: 6887]

**STATEMENT CONTAINING SALIENT FEATURES OF THE  
FINANCIAL STATEMENT OF SUBSIDIARY COMPANIES**

Form AOC-1

(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, 2022	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	27.01.2003	75.93	608,958,600	690,183,844	1,930,354,776	1,930,354,776	635,356,807	1,961,160,603	413,079,512	90,621,585	322,457,927	-	100%
2	Uniparts Olsen Inc.	USD	11.11.2005	75.93	298,420,921	1,388,856,813	2,591,024,286	2,591,024,286	-	2,970,815,928	246,009,177	69,829,329	176,179,848	-	100%
3	Uniparts Europe S.V.	Euro	22.01.2007	84.03	92,433,000	(39,711,102)	53,502,052	53,502,052	-	-	(68,396)	-	(68,396)	-	100%
4	Crpuel Fasteners Private Limited.	INR	21.01.2008	1.00	57,598,420	837,831,940	1,154,906,173	1,154,906,173	-	2,793,528,653	424,460,063	111,675,837	312,794,226	-	100%
5	Uniparts India GmbH	Euro	18.05.2010	84.03	8,403,000	242,622,906	745,643,883	745,643,883	-	1,377,921,756	152,333,127	56,184,457	96,148,670	-	100%
6	Crpuel Conag Private Limited	INR	06.12.2021	1.00	30,000,000	-	30,048,656	30,048,656	-	-	-	-	-	-	100%

Notes:  
Names of subsidiaries which are yet to commence operations  
Names of subsidiaries which have been liquidated or sold during the year

: NIL  
: 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

*Qurdeen Soti*  
[Chairman & Managing Director]  
[DIN: 0001478]

*Paramjit Singh Soti*  
[Vice Chairman & Director]  
[DIN: 0001616]

*Mughsh Sapra*  
[Chief Financial Officer]

*Jatin Mahajan*  
[Company Secretary]  
[FCS: 6887]

*Rakesh Aggarwal*  
[Proprietor - Rakesh Banuuri & Co.]  
[Membership No.: 088193]

