S. C. VARMA AND CO.
Chartered Accountants
A-60, NDSE, Part-I
New Delhi - 110049,
Tel.: 24648247, 24649845, 41625248
Email : scvarma@scvandco.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
Gripwel Conag Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Gripwel Conag Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Pre-Operative Expenses 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 financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit/loss Cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Financial Statements.

Information Other than the 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 financial statements and our auditor's report thereon.

S.C. VARMA AND CO.
New Delhi
Accountants

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 financial statements that give a true and fair view of the financial position and financial performance, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directorsare 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a wholeare 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

New Delhi
Accountants

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 inorder 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 statementsor, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government in terms of sec. 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

New Delhi
Accountants

2. (A) 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the accounting Standards under section 133 of the Act read with Companies (Indian Accounting Standards) Rules,2015.

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) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

(B) 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:

a. The Company did not have any pending litigations which would impacts its Financial Statements.

b. The Company does not have any long-term contracts including derivative contracts which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) 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, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

New Delhi
Accountants

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

(iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (ii) (b) contain any material misstatement.

e. The company has not declared or paid any dividend during the year.

(C) 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, no remuneration has been paid by the Company to its directors during the year.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No: 000533N

(S. C. Varma)
Partner
M.No: 011450
UDIN : **22011450ALOFUX2675**

Place: New Delhi
Date: 22 JUN 2022

S. C. VARMA AND CO. New Delhi Chartered Accountants

Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Gripwel Conag Private Limited on the financial statements for the year ended 31st March, 2022, we report that:

i. a) (A) The Company does not have any Property, Plant and Equipment and therefore, reporting under clause (i) (a) of the Order is not applicable to the Company;

(B) The Company does not have any intangible assets and therefore, reporting under clause (i) (a) of the Order is not applicable to the Company;

b) The Company does not have any Property, Plant and Equipment and therefore, reporting under clause (i) (b) of the Order is not applicable to the Company;

c) The Company does not have any immovable property and therefore, reporting under clause (i) (c) of the Order is not applicable to the Company;

d) The Company does not have Property, Plant and Equipment or intangible assets, and therefore, reporting under clause (i) (d) of the Order is not applicable to the Company;

e) According to the information and explanations given to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder.

ii. a) The Company is not having any inventory and therefore, reporting under clause (ii) (a) of the Order is not applicable to the Company.

b) The company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and therefore, reporting under clause (ii) (b) of the Order is not applicable to the Company.

iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and therefore, the reporting under clause (iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Companies Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and rules made there under are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records by the company under section 148(1) of the

New Delhi
Accountants

Companies Act, 2013 and therefore, reporting under clause (vi) of the Order is not applicable to the Company.

vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, cess and other statutory dues applicable to it with appropriate authorities. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, cess and any other statutory dues were in arrears, as at March 31, 2022, for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues as referred to in sub clause (a) above which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of examination of the records of the Company, there were, no transactions relating to previously unrecorded income which requires to record in the books of account as 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 and according to the information and explanations given to us and on examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or other lenders.

c) The Company has not taken any term loans during the year and therefore, reporting under clause (ix) (c) of the Order is not applicable to the Company.

d) The Company has not raised any funds on short term basis during the year and therefore, reporting under clause (ix) (d) of the Order is not applicable to the Company.

e) The company has not taken any funds from banks and financial institutions. The Company does not have any subsidiary, associate and joint venture and therefore, details required under clause (ix) (e) of the order is not applicable to the Company.

f) The Company has not raised loans on the pledge of securities during the year and therefore reporting under clause (ix) (f) of the Order is not applicable to the Company.

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 therefore, reporting under clause (x) (a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under clause (ix) (b) of the Order is not applicable to the Company.

New Delhi

xi. a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or any 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) According to information and explanations given to us, the Company has not received any whistle blower complaints during the year.

xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.

xiv. According to the information and explanations given to us, the company has no internal audit system;

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us:

a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as covered under the requirements the Reserve Bank of India Act, 1934.

c) The Company is a not a Core Investment Company as defined in the regulations made by Reserve Bank of India.

d) The Company does not have more than one Core Investment Companies which are part of the Group;

xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under clause (xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that company is not capable of meeting its

New Delhi

Accountants

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. The Company is not liable to contribute towards Corporate Social responsibility (CSR) in compliance with the second proviso to sub- section (5) of Section 135 of the Companies Act, 2013 and therefore, reporting under clause (xx) of the Order is not applicable to the Company.

xxi. The Company doesn't have any subsidiaries and therefore, reporting under clause (xxi) of the Order is not applicable to the Company.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No: 000533N

(S. C. Varma)
Partner
M.No: 011450
UDIN : **22011450ALOFUX2675**

Place: New Delhi
Date: 22 JUN 2022

Gripwel Conag Private Limited
Balance Sheet as at 31st March 2022

UNIPARTS GROUP

(INR in millions)

Particulars	Note No.	As at 31st March 2022
ASSETS		
Non-current assets		
Other assets	3	18.42
Total Non-current assets		**18.42**
Current assets		
Financial assets		
Cash and cash equivalents	4	5.01
Other assets	3	6.62
Total Current assets		**11.63**
Total assets		**30.05**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5	30.00
Total equity		**30.00**
Liabilities		
Current liabilities		
Other liabilities	6	0.05
Total Current liabilities		**0.05**
Total equity and liabilities		**30.05**
Significant Accounting Policies	1 & 2	
The accompanying notes form an integral part of the financial statements		

As per our report of even date attached.
For S.C. VARMA AND CO.
Chartered Accountants
Firm Regn. No: 000533N

S.C. Varma
(Partner)
Membership No. 011450

For and on behalf of Board of Directors of
Gripwel Conag Private Limited

Gurdeep Soni
(Director)
[DIN: 00011478]

Angad Soni
(Director)
[DIN: 02297532]

Place : New Delhi
Date: 22 JUN 2022

S.C. VARMA AND CO. New Delhi Chartered Accountants

Gripwel Conag Private Limited
Statement of Pre-operative Expenses for the period ended 31st March 2022

(INR in millions)

Particular	Note No.	Period ended 31st March 2022
EXPENSES		
Finance costs	7	-
Other expenses	8	0.85
Total expenses		**0.85**
Significant Accounting Policies	1 & 2	
The accompanying notes form an integral part of the financial statements		

As per our report of even date attached.
For S.C. VARMA AND CO.
Chartered Accountants
Firm Regn. No: 000533N

S.C. Varma
(Partner)
Membership No. 011450

For and on behalf of Board of Directors of
Gripwel Conag Private Limited

Gurdeep Soni
(Director)
[DIN: 00011478]

Angad Soni
(Director)
[DIN: 02297532]

Place : New Delhi
Date: 22 JUN 2022

S.C. VARMA AND CO. New Delhi Chartered Accountants

Gripwel Conag Private Limited
Cash Flow Statement for the period ended 31st March 2022

(INR in millions)

Particular	Period ended 31st March 2022
A. Cash flow from operating activities:	
Profit before tax	-
Operating profit before working capital changes	-
Adjustments for changes in Working Capital :	
(Increase)/decrease in other non-current assets	(18.42)
(Increase)/decrease in other current assets	(6.62)
Increase/(decrease) in other current liabilities	0.05
Cash Generated From/(Used In) Operations	**(24.99)**
Income Tax Paid / (Refunds)	-
Net cash flow from/ (used in) operating activities (A)	(24.99)
B. Cash flow from investing activities:	
Net cash flow from/ (used in) investing activities (B)	-
C. Cash flow from financing activities	
Proceeds from issue of Equity Share Capital	30.00
Net cash flow from/ (used in) financing activities (C)	30.00
Net increase/(decrease) in cash and cash equivalents (A+B+C)	5.02
Cash and Cash equivalents at the beginning of the period	-
Cash and Cash equivalents at the end of the period	5.01
Cash and cash equivalents comprises :	
Balances with Banks-in Cash Credit and Current Accounts	5.01

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	Period ended 31st March 2022
Cash movement	
Proceeds from issue of Equity Share Capital	30.00
Closing balance	**30.00**

As per our report of even date attached.
For S.C. VARMA AND CO.
Chartered Accountants
Firm Regn. No: 000533N

S.C. Varma
(Partner)
Membership No. 011450

For and on behalf of Board of Directors of
Gripwel Conag Private Limited

Gurdeep Soni
(Director)
[DIN: 00011478]

Angad Soni
(Director)
[DIN: 02297532]

Place : New Delhi
Date: 22 JUN 2022

S.C. VARMA New Delhi Accountants

Gripwel Conag Private Limited
Statement of Changes in Equity for the period ended 31st March, 2022

a. Equity share capital

(INR in millions)

Particular	Amount
Balance at 06th December, 2021	-
Change during the period	30.00
Balance at 31st March, 2022	30.00

The accompanying notes are forming part of these financial statements

As per our report of even date attached.
For S.C. VARMA AND CO.
Chartered Accountants
Firm Regn. No: 000533N

S.C. Varma
(Partner)
Membership No. 011450

For and on behalf of Board of Directors of
Gripwel Conag Private Limited

Gurdeep Soni
(Director)
[DIN: 00011478]

Angad Soni
(Director)
[DIN: 02297532]

Place : New Delhi
Date: 22 JUN 2022

S.C. VARMA AND CO. New Delhi Chartered Accountants

1) Corporate Information

Gripwel Conag Private Limited ("the Company") is a Company (limited by shares) incorporated under the provisions of Companies Act, 2013. The Company is domiciled in India having registered office at Gripwel House, Block-5 C6 & 7, Vasant Kunj, New Delhi 110070, India. The Company is engaged into manufacturing having facility at Noida. The main objects of, inter-alia, manufacturing, sale and export of precision engineering products and allied engineering products. The Company's holding company is Uniparts India Limited.
The Company's CIN is U29309DL2021PTC390864.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1) Basis of Preparation

The 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 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) 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 period. 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.

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 period.

S.C. Varma & Co. New Delhi Accountants

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.

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.

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.

New Delhi

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 period 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.

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.

New Delhi

Accountants

2.5) Inventories

Inventories are valued as below:

(i) Raw Materials, Packing Materials and Consumable Stores & Spares are valued at cost computed on FIFO method.

(ii) Work-in-progress are valued at materials cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.

(iii) Finished Goods/Traded Goods are valued at lower of the cost or net realizable value.

(iv) Scrap is valued at net realizable value calculated based on last month's average realization.

2.6) Revenue Recognition

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

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

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

Sale of Goods

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

Export incentives

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

Die design and preparation charges

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

Interest income

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

Dividends

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

2.7) Government grants

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

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

New Delhi

2.8) Property, Plant & Equipment

Tangible Assets

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2017.

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 period is proportionately charged.

The estimated useful lives are as mentioned below:

Type of Asset	Method	Useful Lives
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
Electrical Installment	Straight Line	10 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 period 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-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.

S.C. Varma and Co. New Delhi Accountants

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 period in which they arise.

2.11) 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.

2.12) 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.

New Delhi
Accountants

(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 (ROU) 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, 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. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. 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 Company considers reasonably certain to be exercised, the cost of the option is included in the lease payments.
The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities in separately from other assets/liabilities in the balance sheet.
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 in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an underlying assets are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments are structured to increase in line with the general inflation to compensate for the lessor's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.
Leases are classified as finance leases when substantially all of the risks and rewards incidental to ownership of underlying asset is transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.13) Taxation

a) Current Tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other periods 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.

New Delhi
Accountants

2.14) 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 / other equity, depends on terms and condition. Further, employees compensation cost recognized earlier on grant of options is reversed in the period when the Options are surrendered by the employee.

2.15) Borrowings & Borrowing Costs

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

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

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

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

2.16) Impairment of Assets

Non-financial assets

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

If such assets are considered to be impaired, the impairment to be recognized in the 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 periods.

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.

2.17) 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.

2.18) 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.

New Delhi

2.19) 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.

2.20) Derivative financial instruments and hedge accounting

Cash Flow Hedge:
The Company holds 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.

2.21) 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.

2.22) Segment reporting

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

2.23) 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 period.

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

2.24) Pre-operative Expenses
The expenses incurred before the commencement of the operations have been debited to the Statement of Pre-operative expenses instead of the Statement of Profit and Loss. These expenses shall be capitalised in the year of commencement of operations by the company.

2.25) Preliminary Expenses
The expenses related to incorportion of company have been debited to preliminary expenses. The same have been written off in the books of accounts in the year in which incurred.

New Delhi

3 Other assets

(INR in millions)

Particular	As at 31st March 2022
Non-current	
Capital Advances	17.57
Pre-Operative Expenses pending allocation (Refer details to Statement of Pre-operative Expenses)	0.85
Total	18.42
Current	
Advances to Suppliers	6.62
Total	6.62
Total	25.04

3.1) 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.

4 Cash and cash equivalents

(INR in millions)

Particular	As at 31st March 2022
Cash and Cash Equivalents	
Balances with Banks	
Balances with Banks-in Current Accounts	5.01
Total	**5.01**

(INR in millions)

Particulars	As at 31st March 2022
Break up of financial assets carried at amortised cost	
Cash and cash equivalents [Refer Note 4]	5.01
Total	**5.01**

S.C. VARMA AND CO. New Delhi Accountants

5 Equity share capital

(INR in millions)

Particular	As at 31st March 2022
Authorised:	
70,00,000 equity shares of INR 10 each	70.00
Issued, Subscribed and Paid-up:	
30,00,000 equity shares of INR 10 each fully Paid-up	30.00
Total	**30.00**

a. The reconciliation of the number of shares outstanding is set out as below:

Particulars	As at 31st March 2022	
	No. of Shares	**Amount**
Equity Shares issued during the period	30,00,000	30.00
Equity Shares at the end of the period	**30,00,000**	**30.00**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 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.

c. Details of share held by the Holding company

Name of the Shareholder	Number	% holding in the class
Uniparts India Limited (Holding Company) (Includes One Share held in trust by Mr. Gurdeep Soni)	30,00,000	100.00

d. Details of shareholders holding more than 5% shares in the company

	As at 31st March 2022	
Name of the Shareholder	**Number**	**% holding in the class**
Uniparts India Limited (Holding Company) (Includes One Share held in trust by Mr. Gurdeep Soni)	30,00,000	100.00

e. Details of equity share held by promoters

	As at 31st March 2022		
Name of the Shareholder	**Number**	**% holding in the class**	**% change during the period**
Uniparts India Limited (Holding Company) (Includes One Share held in trust by Mr. Gurdeep Soni)	30,00,000	100.00	29900.00%

New Delhi

6 Other liabilities

(INR in millions)

Particulars	As at 31st March 2022
Current	
Expenses Payable	0.03
Statutory Dues Payable	0.02
Total	**0.05**

S.C. VARMA AND CO. New Delhi Chartered Accountants

7 Finance costs

(INR in millions)

Particulars	Period ended 31st March 2022
Other Borrowing Costs:	
Bank Charges	-
Total	-

8 Other expenses

(INR in millions)

Particulars	Period ended 31st March 2022
Rates and Taxes	0.78
Preliminary Expenses written off	0.04
Payment to Auditors (Refer details below)	0.03
Miscellaneous	-
Total	**0.85**

Payment to Auditors

(INR in millions)

Particulars	Period ended 31st March 2022
As Auditors:	
Audit Fee	0.03
Total	**0.03**

S.C. VARMA AND CO. New Delhi Chartered Accountants

9 Computation of earning per share (EPS)

(INR in millions)

Particular	As at 31st March 2022
Computation of Profit (Numerator)	
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	-
Computation of Weighted Average Number of Shares (Denominator)	
Number of Shares outstanding at the Beginning of the period	30,00,000
Adjusted Weighted Average number of Equity Shares for calculating Diluted EPS	30,00,000
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	30,00,000
Computation of EPS - Basic (in INR)	-
Computation of EPS - Diluted (in INR)	-

S.G. VARMA AND CO. New Delhi Accountants

10 Related party disclosure

(i) Name of the related parties where control exists and related parties with whom transactions have taken place and their relationships.

a) Holding Company

Name of the Company	Country of Incorporation
Uniparts India Limited	India

b) Fellow Subsidiaries

Name of the Company	Country of Incorporation
Gripwel Fastners Private Limited	India
Uniparts USA Limited	USA
Uniparts Olsen Inc.	USA
Uniparts Europe BV	Netherlands
Uniparts India GmbH	Germany

c) 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 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.
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
Gifting Trust of Meher Soni
Paramjit Soni Gifting Trust
Sarabjit Soni Gifting Trust
Uniparts ESOP Trust
Ninety Hospitality LLP

VARMA AND CO. New Delhi Accountants

d) Key Managerial Personnel / Individuals having significant influence on the Company:

Gurdeep Soni- Director
Angad Soni- Director

Disclosure in respect of Related Party Transactions during the period :

(INR in millions)

	Particulars	Relationship	Period ended 31st March 2022
1	**Proceeds from Issue of Equity Share Capital**		
	Uniparts India Limited	Holding Company	30.00
			30.00

S.C. VARMA AND CO. New Delhi Chartered Accountants

UNIPARTS

11 Contingencies, Capital and other commitments

(INR in millions)

Particulars	As at 31st March 2022
(i) Others	
-Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	22.48

S.C. VARMA & Co. New Delhi Chartered Accountants

12 Details of dues to micro and small enterprises as defined under micro, small and medium enterprises development act, 2006 (MSMED, Act 2006)

Dues to micro and small enterprises

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 :-

(INR in millions)

Particulars	As at 31st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	
-- Principal	-
-- Interest	-
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 period.	-
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 period) but without adding the interest specified under the said Act	-
The amount of interest accrued and remaining unpaid at the end of each period	-
The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise.	-

New Delhi

UNIPARTS

13 **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 Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR in millions)

Particulars	Level of Inputs used	Carrying Value	Fair Values
		As at 31st March 2022	As at 31st March 2022
Financial Assets			
Cash & Cash Equivalents		5.01	5.01

The management assessed that the fair value of cash and cash equivalent,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: .

VARMA AND CO. New Delhi Accountants

14 Ratio as per the schedule III requirements

Particulars	Period ended 31st March 2022
(a) Current Ratio	
Total current assets	11.63
Total current Liabilities	0.05
Current ratio	232.60
% Change from previous period	NA
(b) Debt-Equity Ratio	
Debt (Borrowing)	-
Total Equity	30.00
Debt Equity Ratio	-
% Change from previous period	NA
(c) Debt Service Coverage Ratio	
Profit after tax for the period / period	-
Add: Non cash operating expense and finance cost	-
Depreciation and amortisation expense	-
Finance costs	-
Loss/(Profit) on sale of fixed assets	-
Earnings available for debt services	-
Interest on bank borrowings	-
Lease repayments	-
Long term secured loans repaid	-
Total interest and principal repayments	-
Debt service coverage ratio	-
% Change from previous period	NA
(d) Return on Equity Ratio	
Profit after tax for the period / period	-
Average Equity	150
Return on equity ratio	0.00%
% Change from previous period	NA
(e) Inventory turnover ratio	
Cost of materials consumed*	-
Changes in inventories of finished goods, work-in-progress and scrap	-
Cost of goods sold	-
Average inventory	-
Inventory turnover ratio	-
% Change from previous period	NA
(f) Trade Receivables turnover ratio	
Sale of goods and services	-
Average account receivable	-
Trade receivables turnover ratio	-
% Change from previous period	NA
(g) Trade payables turnover ratio	
Purchases	-
Average trade payables	-
Trade payables turnover ratio	-
% Change from previous period	NA

VARMA AND CO. New Delhi Accountants

Gripwel Conag Private Limited
Notes on Financials Statements for the period ended 31st March, 2022

(h) Net capital turnover ratio	
Revenue from operations	-
Net working capital* (refer note below)	11.58
Net capital turnover ratio	-
% Change from previous period	**NA**
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 / period	-
Revenue from operations	-
Net profit ratio	0.00%
% Change from previous period	**NA**
(j) Return on Capital employed	
Profit before tax	-
Finance costs	-
Earnings before interest and tax	-
Capital employed	24.99
Tangible net worth	30.00
Total Debt*	(5.01)
Deferred tax Liability	-
Intangible net worth	-
Return on capital employed	0.00%
% Change from previous period	**NA**

Total Debt*= Borrowings - Cash & cash equivalents

S.C. VARMA AND CO. New Delhi Accountants

15 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.

(INR in millions)

Particulars	As at 31st March 2022
Borrowings	-
Net Debt	-
Equity	**30.00**
Debt/Equity ratio	-

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2022.

16 Preoperative Expenses

The Company has prepared Statement of Pre-operative Expenses instead of Statement of Profit and Loss since the company has not yet started its operations. Accordingly, the expenses incurred during the period from 6th December, 2021 to 31st March, 2022 have been debited to Pre-operative Expenses.

17 Previous Year's Figures

The company was incorporated on 06th December, 2021 and hence the first balance sheet of the company has been prepared for the period from 06th December, 2021 to 31st March, 2022.Accordingly, no previous year's figures have been given.

As per our report of even date attached
For **S.C. VARMA AND CO.**
Chartered Accountants
Firm Regn. No: 000533N

S.C. Varma
(Partner)
Membership No. 011450

For and on behalf of the Board of Directors
Gripwel Conag Private Limited

Gurdeep Soni
(Director)
[DIN: 00011478]

Angad Soni
(Director)
[DIN: 02297532]

Place : New Delhi
Date: 22 JUN 2022

S.C. VARMA AND CO. New Delhi