



# Global food security Global infrastructure build-out

Uniparts has built a robust global business  
addressing these long-term trends

### Forward looking statement

This document contains statements about expected future events and financial and operating results of Uniparts India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the cautionary statement included in the Management Discussion and Analysis of the annual report.

### Our FY2022-23 performance

# 13.660

₹ billion, revenue from operations  
(₹12.274 billion, FY2021-22)

# 15

% PAT margin  
(14%, FY2021-22)

# 23

% EBITDA margin  
(22%, FY2021-22)

# 35.9

% ROCE (31.0%,  
FY2021-22)

### List of abbreviations

**OEM:** Original Equipment Manufacturer

**UIL:** Uniparts India Limited

**3PL:** 3 Point Linkage

**PMP:** Precision machined parts

**OHV:** Off-highway Vehicles

**IPO:** Initial Public Offering

**PTO:** Power Take-off

**CFM:** Construction, forestry and mining

**UTV:** Utility Terrain Vehicle

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# Corporate Information

## **Board of Directors**

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**Mr. Gurdeep Soni**

Chairman & Managing Director

**Mr. Paramjit Singh Soni**

Executive Director & Vice Chairman

**Mr. Herbert Coenen**

Non- Executive Director

**Mr. Alok Nagory**

Independent Director

**Mr. Sharat Krishan Mathur**

Independent Director

**Ms. Shradha Suri**

Independent Director

**Mr. Sanjeev Kumar Chanana**

Independent Director

## **Key Managerial Personnel (KMP)**

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**Group Chief Operating Officer**

Mr. Sudhakar Kolli

**Group Chief Financial Officer**

Mr. Rohit Maheshwari

**Head Legal, Company Secretary and Compliance Officer**

Mr. Jatin Mahajan

## **Auditors**

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**Statutory Auditors**

M/s. S.C.Varma & 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

## **Registrar and Share Transfer Agent**

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**Link Intime India Private Limited**

Noble Heights, 1<sup>st</sup> Floor,

Plot No. NH 2, LSC, C-1 Block,

Near Savitri Market, Janakpuri,

New Delhi - 110058

Tel.: +91 11 4941 1000

## **Registered Office**

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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**

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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**

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L74899DL1994PLC061753

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

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







## Key messages of this Annual Report

Uniparts India is a prominent proxy of the need for enhanced global food security and infrastructure needs

The Company is a trusted multi-year global supply chain partner of some of the largest global off highway equipment manufacturers

The robustness of the Company's global delivery model was validated during the international supply chain challenges of the recent years.

The Company is a global engineering design entity possessing operational excellence and dual shore manufacturing capabilities.

The Company has established a robust foundation generating a sustainable growth in stakeholder value.



PART 1





# What we are and what we do





CORPORATE SNAPSHOT

# Uniparts India Limited

A technology-driven manufacturer of machined products.

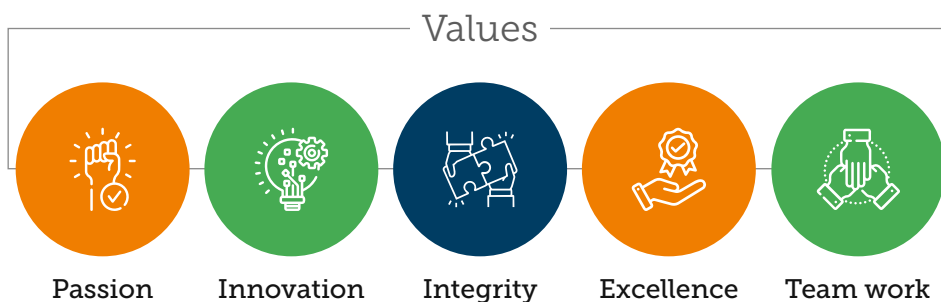
*Addressing global off-highway market needs.*

Created a global business and forged strong relationships with leading international OEMs.

*Marked by multi-year engagements with marquee global customers.*

Built a business marked by healthy liquidity, profitability and sustainability.

*Reflected in net cash on books and attractive capital efficiency.*



### Vision

Become a significant global business and supply partner of core systems to the off-highway market with a significant market presence in agricultural and construction market. Grow markets with innovative solutions & products and create value for all stake-holders by providing high-quality engineered solutions to our customers.

### Background

Uniparts India Limited (incorporated in 1994) is an India-based manufacturer of complex engineered systems and solutions. The Company is a leading supplier of systems and components addressing the off-highway market.

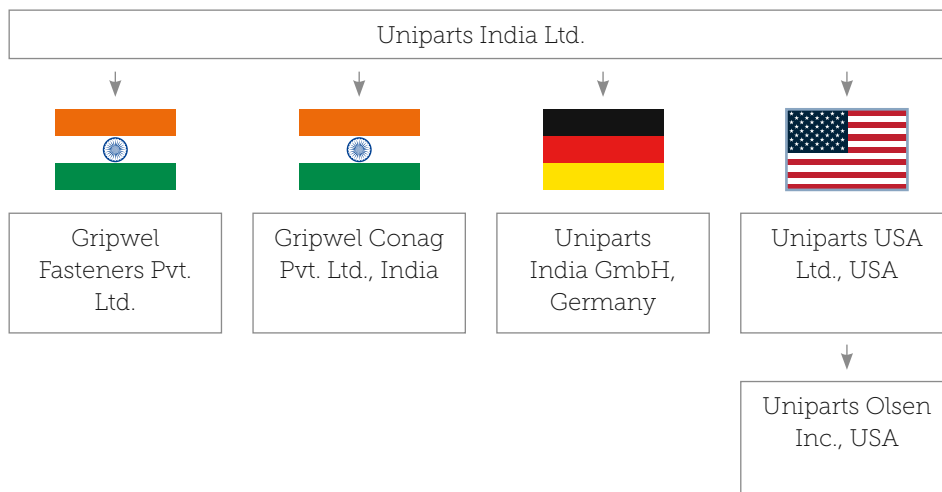
Within three decades, UIL has graduated to a leadership position in key systems and components like 3 point linkage (3PL) and precision

machined parts (PMP) for off-highway vehicles across the world. The Company specialises in manufacturing a high number of SKU & products across the complex, critical and low-to-medium volumes. The Company has emerged as a partner of choice for global leaders in the agriculture & construction as well as forestry and mining segments with a presence across the OEMs and after-market spaces.

### Group companies

Uniparts is a multinational corporation where Uniparts India Ltd. (UIL) is the parent company with Indian as well as overseas subsidiaries that enhance territorial focus and customer service. These subsidiaries are managed by their respective management teams that are responsible for their respective performance.

### The Uniparts Group



## Leadership

The Company was promoted by Gurdeep Soni and Paramjit Singh Soni. Gurdeep Soni (Chairman and Managing Director) has more than four decades of working experience in different roles within the Uniparts Group. Paramjit Singh Soni (Vice Chairman and Executive Director) has four decades of experience. Herbert Coenen is the Non-executive director with over three Decades of expertise in off-highway vehicles industry on the technology and engineering side. Sudhakar S Kolli is the Group Chief Operating Officer with over three decades of experience in operations, business development and P&L responsibilities in leadership positions. The senior leadership team possesses a vast experience in the off-highway vehicles segment. This team is positioned across key geographies and time zones (US, Europe and India).

## Presence

The Company's manufacturing facilities are located across India - three in Ludhiana, one in Visakhapatnam and two in Noida. The Company's international manufacturing operations are in Iowa (United States). The Company also has warehousing facilities in the United States (two) and Germany (one).

## Products

Our product portfolio comprises core product verticals of 3-point linkage systems (3PL) and precision

machined parts (PMP) as well as adjacent product verticals of power take off (PTO), fabrications and hydraulic cylinders or related components. We enjoy a leading presence in the manufacture of 3PL and PMP products globally on account of serving some of the largest global companies. Most of our products are structural and load bearing parts of equipment subject to strict tolerances, specifications and process controls. A series of precision engineering process steps converge in the manufacture of these products.

## Customers

The Company's customer base comprised more than 125 customers from 25 countries as on 31 March, 2023. The Company's prestigious clientele comprised marquee OEMs in the global off-highway space as well as leading aftermarket players. A majority of customers had been associated with the Company for fifteen years or more by the close of FY2022-23.

## Geographies

We enjoy a global footprint and serve customers across countries in North and South America, Europe, Australia and Asia, including Japan and India.

## Employees

Our knowledge-driven company comprises skilled talent of more than 300 engineers and technical diploma holders, 50+ strong business development and sales/

customer service officers. The senior leadership team has a vast experience and expertise in the off-highway vehicle industry. Around 40% employees had been working with Uniparts Group for 10+ years by the close of FY2022-23.

## Certifications

The Company's manufacturing facilities have been certified with ISO 9001: 2015 and ISO 14001: 2015 (four facilities). These testify to a high operational discipline and commitment to global certification standards.

## Credit rating

The Company's credit rating was upgraded to ICRA AA-(Stable)/ICRA A1+ by ICRA, in January 2023

## Listing

On 12 December, 2022, following a successful offer for sale by shareholders through an Initial Public Offering (IPO), the Company's shares were listed and traded on the National Stock Exchange and Bombay Stock Exchange.



## Big numbers

**125+**

Customers

**25+**

Countries of sales presence

**16.68**

% 3PL market share\*

**5.92**

% global PMP market share\*

**20+**

Years of long-standing relationship with several key customers

**10**

Number of global OHV OEMs (out of top ten) in the agriculture sector served

**5**

Number of global OHV OEMs (out of top ten) in the CFM segment served (outside China)

**300+**

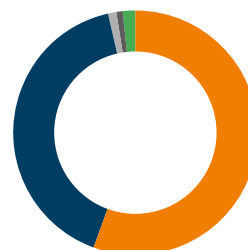
Engineers/technical diploma holders

**40**

% of the Company's staff working with Uniparts Group for 10+ years in FY2022-23

\*Based on FY2021-22 data

## Our product-wise revenue drivers, FY2022-23



3PL 55.8% PMP 40.6%  
PTO applications 1.2% Fabrication 0.8%  
Others 1.6%

## Our industry segment-wise revenue drivers, FY2022-23



Agriculture: 70.9%  
Construction, Forestry, mining: 29.1%



# Uniparts Group. Possessing an extensive footprint across continents and countries.



Generated 84.9% revenues from international geographies (non-Indian), FY2022-23

Physical operations across three continents

Products sold across over 25 countries

## Our state-of-the-art manufacturing units and warehousing and distribution centres

### Ludhiana, India

**Year of commissioning:**  
Originally commissioned in 1990 and 1993; with expansion/addition subsequently

**Number of manufacturing facilities:** 3

**Certifications:** ISO 9001: 2015 and ISO 14001: 2015 (1 facility)

**Specialisations:** 3PL, PMP, Fabrications and PTO

### Eldridge, Iowa, United States

**Year of acquisition:** 2005

**Number of manufacturing facilities:** 1

**Number of warehousing facilities:** 1

**Certifications:** ISO 9001:2015

**Specialisations:** PMP

### Noida, India

**Year of commissioning:** 2000 and 2006

**Number of manufacturing facilities:** 2

**Number of distribution centers:** 1

**Certifications:** ISO 14001:2015 and ISO 9001:2015

**Specialisations:** 3PL, PMP, PTO and also a state-of-the-art 3PL life cycle testing facility

### Visakhapatnam, India

**Year of commissioning:** 2009

**Number of manufacturing facilities:** 1

**Certifications:** ISO 14001:2015 and ISO 9001:2015

**Specialisations:** 3PL, PMP and Hydraulics

### Augusta, Georgia, United States

**Year of commissioning:** 2005

**Number of warehousing facilities:** 1

**Specialisations:** Warehousing and fulfilment tailored to customer requirements.

### Hennef, Germany

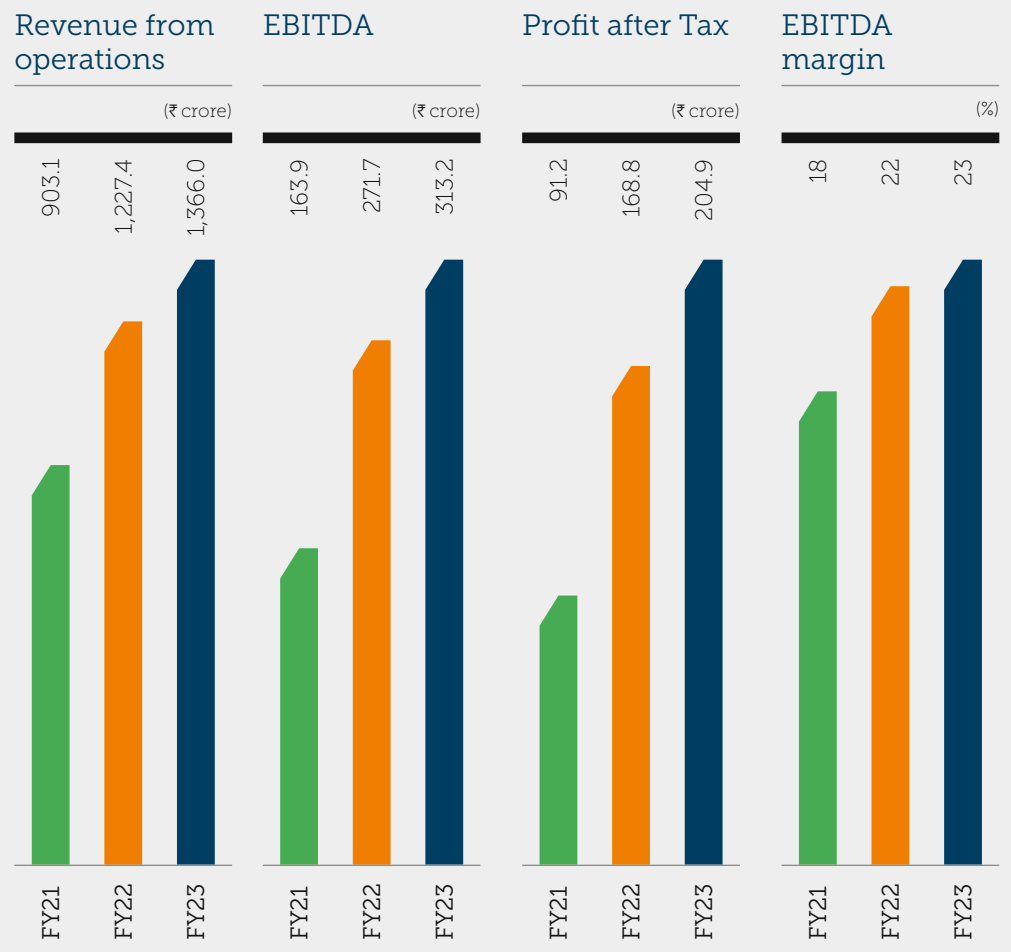
**Year of commissioning:** 2010

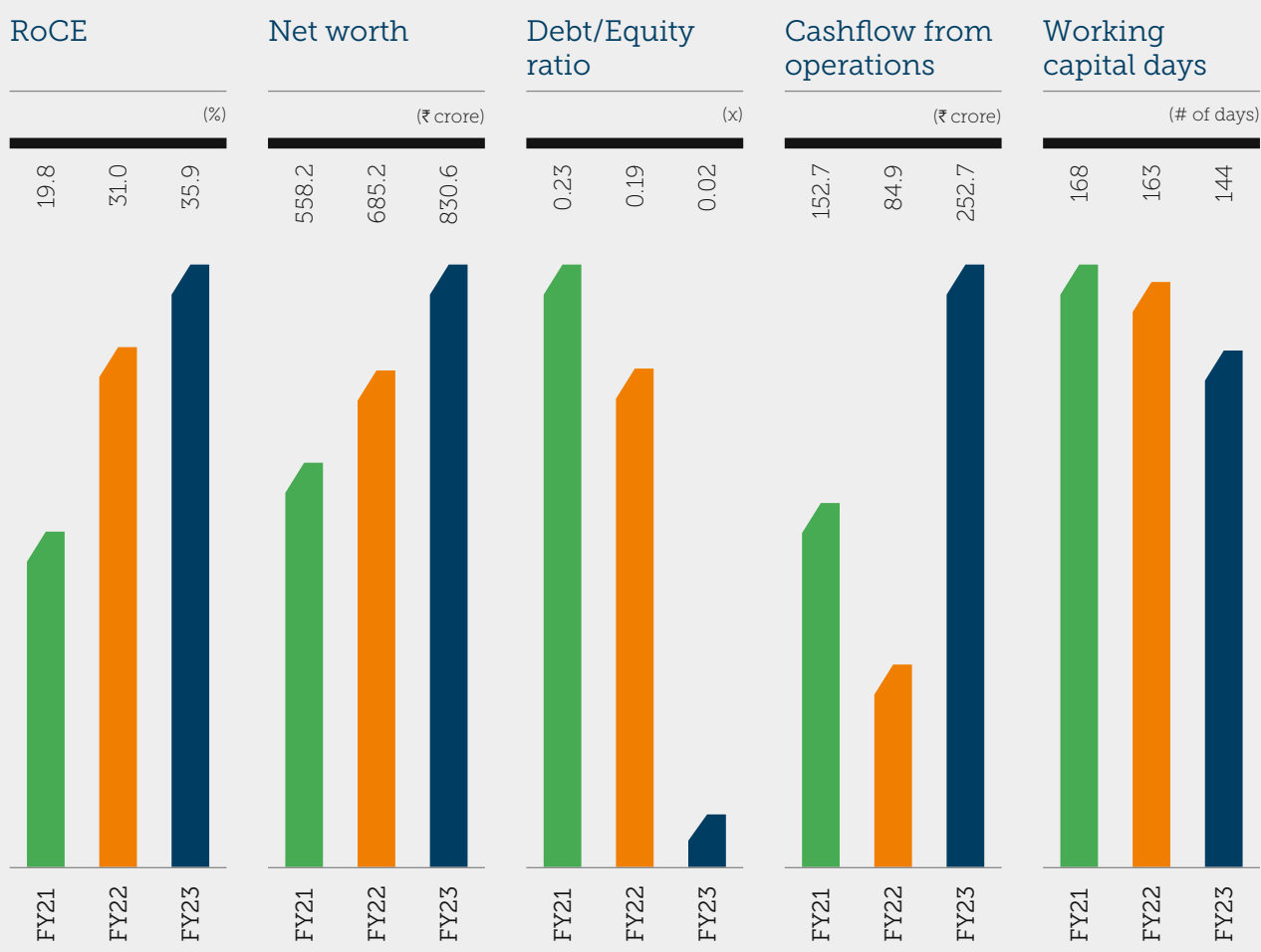
**Number of warehousing facilities:** 1

**Specialisations:** Warehousing and fulfilment tailored to customer requirements.



# Our consolidated financial performance across the years





Working Capital Days =  
(Inventory + Receivables  
- Payables) / Revenue  
from Ops x 365



PART 2





The big picture of the relevance of  
our business in  
the modern world

# There is a greater need to enhance global food security today

This represents a key pillar of the Uniparts business model

## Overview

The world's population of around 8 billion today could grow to around 8.5 billion in 2030 and 9.7 billion in 2050.

This rapid population growth is putting an unprecedented premium on the need to generate more crop output from a given arable land area.

Globally agricultural land area is approximately five billion hectares, or 38% of the global land surface. About one-third of this is used as cropland, while the remaining two-thirds consists of meadows and pastures) for grazing livestock.

As the global population continues to grow, with the number of people in the world more than doubling between 1961 and 2016, there is a greater demand for food. The strain on land, a limited resource, has correspondingly grown. Global cropland area per capita decreased continuously over the period between 1961 and 2016: from about 0.45 hectare per capita in 1961 to 0.21 hectare per capita in 2016.

Not only will the world need to deepen its agriculture investment to feed more mouths but will need to do so to moderate poverty as well (considering that the agriculture sector is two to four times more effective in enhancing incomes among the poorest countries over other sectors). This priority is even more pronounced at a time when it is feared that climate change could moderate crop yields, especially in the world's most food-insecure regions.

The writing on the wall: much of the increased food output will need to come from farm mechanisation.

Uniparts is attractively placed to play an effective role. The Company generated 70.9% of its FY2022-23 finished good sales from products that directly or indirectly facilitated enhanced farm mechanisation.

This indicates that Uniparts is not only likely to emerge as a beneficiary of the world's needs for enhanced food security but is also likely to play an active part in helping the world achieve its goal.







**Big numbers**

**1+**

US\$ billion market size  
addressed by the Company

**10+**

US\$ billion projected market  
size following product  
addition

Management estimates



# There is a greater acceptance of farm equipment enhancing crop output today

This is providing enhanced opportunity to Uniparts to invest deeper in its business

## Overview

The increasing mechanisation of farm equipment has been one of the most significant agricultural developments the world over during the last few decades.

Urbanisation and wider livelihood options (beyond agriculture) are putting a pressure on the availability of farm labour.

A rise in technology integration and an increased emphasis on precision agriculture are transforming the global agriculture sector, putting a priority on land productivity.

**Catalysts:** A population surge, technology advancement, and precision farming growth have helped stimulate the global agriculture equipment market (including tractors). This is being catalysed by government initiatives for funding and assisting.

**Emerging markets:** The agricultural tractor market comprises growth opportunities in emerging markets, particularly Asia, Africa and Latin America. Tractors and other agricultural equipment are becoming increasingly necessary due to rising food demand and the adoption of modern farming techniques.

## Precision agriculture:

Manufacturers of tractors now address the opportunity to create new variants with cutting-edge sensing and control systems addressing precision agriculture.

## More power being used in farming:

As more sophisticated and multiple implements are getting added to the farming arena, the horse power (HP) of tractors is also increasing, requiring a greater customisation for linkages as well as implements behind the tractors.

## Technological advances:

Manufacturers have the chance to create novel products that satisfy shifting market demands thanks to technological advancements like electric and autonomous tractors.

**Customisation:** The manufacture of specialised tractors has been catalysed by a rising demand for specialised farming equipment and technologies.

**After-sales service:** There is a growing trend of tractor manufacturers providing maintenance, repair and spare part services through after-sales service and support.

## Conclusion

Through its leading play in 3PL and PMP product verticals and emerging play in PTO, Fabrication and Hydraulic product verticals, Uniparts is positioned to address this opportunity deeper.

(Source: researchandmarkets.com, precedenceresearch.com)

### Farm mechanisation intensity across countries

USA 95%

Europe 95%

China 57%

Brazil 75%

India 40-45%

Source: NCAER Report 2023, interaction with industry experts



# The world is urbanising with speed

This is opening up a large market for Uniparts

## Overview

Today, about 56% of the world's population live in cities (urban areas). This trend is expected to continue, with the urban population more than doubling its current size by 2050, at which point nearly seven of ten people will live in cities.

Also, there has been a shift in workforce preferences from pure farm-oriented activities to associated sectors.

By 2030, global construction is expected to grow to US\$ 15.5 trillion with three countries – China, US and India – accounting for 57% of all global growth. This growth is being catalysed by an increase in personal incomes, aspirations for better living and growing opportunities in an emerging green economy.

## Conclusion

This theme of urbanisation, coupled with the China+1 trend, is throwing new opportunities for players such as Uniparts, owing to its global delivery model and marquee OEM customer portfolio.

Source: worldbank.org



### Big numbers

15.5

US\$ trillion, volume of construction output worldwide by 2030

85

% growth volume of construction output worldwide by 2030

57

% of global growth could be from China, US and India by 2030

Source: pwc.com.tr, oxfordeconomic.com

# There is a declining availability of farm labour

Uniparts is attractively positioned to benefit from farm mechanisation

## Overview

Farm migration, on account of higher wages and an increased requirement of workforce in the secondary and tertiary sectors, has resulted in a worker shift from farm to non-farm activities.

Besides, there is a greater recognition that conventional farming is backbreaking. As livelihood options have widened, a consistent shortage has emerged in labour-intensive agricultural operations. Field drudgery is warranting a larger outlay for farm mechanisation. Cropping intensity implies more crops being cultivated in the same field, enhancing income per land area. Since this reduces the time between two crops, there is a need for timely agricultural interventions.

The result is that the ratio of agricultural labour to overall workforce has reduced; this trend is likely to sustain.

There has been changing workforce preference from pure farm-oriented activities to allied, urban and office sectors.

The emergence of information technology has widened job openings across different capability levels, drawing on a large pool of farm labour, putting a premium on technology interventions.

In developed countries, land holdings are extensive, providing the economies of scale to invest in technologies.

In the USA and Europe, various farm machinery manufacturers are concentrating on integrating technologies such as navigation systems, GPS and robotic systems into manufactured equipment to improve productivity.

The population in China, until 2022 the world's most populous country, entered a period of long decline. There has been a consistent shortage in labour-intensive agricultural operations in India and China.

Uniparts is uniquely positioned owing to its prominent presence in global agriculture component markets as a leading supplier to OEMs and the aftermarket segment.

## Big numbers

43%

Share of agriculture in the total world labour in 1991

26%

Share of agriculture in the total world labour in 2021

Source: [worldbank.org](http://worldbank.org), [ourworldindata.org](http://ourworldindata.org)



# There is a growing ‘infrastructurisation’ of the world

Uniparts is attractively placed in two of the world’s three largest infrastructure markets

## Overview

There is a greater acceptance that infrastructure spending is the most enduring way out of global economic slowdowns.

USA announced a US\$ 1 trillion infrastructure investment programme across eight years. This unprecedented spending programme by that country could catalyse construction and mining equipment demand, strengthening prospects for companies and countries supplying products and services. China has made around US\$ 1 trillion of government funds available for construction projects.

India announced unprecedented infrastructure outlays in the last two Union Budgets, sending out an unmistakable signal for private enterprise to follow. The result is that India is expected to remain among the two fastest growing major economies and graduating to the world’s third largest economy by the end of this decade.

The ‘China +1’ strategy, prompted by supply chain disruptions and risks, has made India an attractive alternative for global manufacturers seeking to moderate their dependence on China. India’s large workforce, growing infrastructure and government’s focus on capital investments (spending exceeding 20% of the Union Budget), represent a landmark. Initiatives like Make in

India and Atmanirbhar Bharat are promoting domestic manufacture, reducing import dependence.

Besides, global farm income growth is expected to catalyse farm infrastructure growth. This could comprise equipment replacement, a positive trend for companies like Uniparts, operating in the agriculture and construction, forestry and mining (CFM) segments of the OHV industry.

## Big numbers

1+

US\$ trillion, value of the infrastructure bill to boost infra spend in USA

10

Lakh crore ₹, allocated to infra spending in Budget FY2023-24 by the Government of India

Source: various news agencies







# Global manufacturers are seeking enduring outsourcing relationships

Uniparts is growing its business by taking risks out of global sourcing

## Overview

Global outsourcing enables borderless business through onsite, offshore and nearshore outsourcing solutions.

Outsourcing is no longer viewed as a short-term wage arbitrage proposition; it is seen as a long-term driver of competitiveness that liberates bandwidth for the buyer and revenue visibility for the outsourcing partner.

As competition increases, product life-cycles shrink and global trade patterns become volatile, there is a greater preference for flexible outsourcing engagements.

Over the years, responsible global outsourcing has evolved from being country-specific and geography-dependent, widening the addressable market.

The role of responsible global outsourcing has increased following the pandemic, when global supply

chains disrupted. Customers now seek an assurance of on-time and in-full delivery and are willing to pay a premium for taking risk out of the equation.

Such partners have evolved to become an extension of the personality of their customers, accounting for a progressively higher wallet share, increasing proportion of complex products and being empowered to supply to more customer locations.

This global structural shift is opening an unprecedented US outsourcing opportunity. US companies are seeking alternative suppliers to moderate their excessive procurement dependence on China. Companies and countries that can offer competitive pricing, quality products and efficient logistics are likely to gain.









PART 3



# The management's perspectives on the business





## CHAIRMAN'S OVERVIEW



How three  
attributes shaped  
the Uniparts  
destiny and got  
us here

Gurdeep Soni, Chairman and Managing Director

### Overview

This is the first annual report since our going public and I am pleased to be communicating with our valued shareholders.

The one question that I keep getting asked is 'What are medium-to long-term prospects of the Company?'

I felt it was important for me to write to our shareholders on this point so that they know what to expect from their company across the foreseeable future.



The first attribute that shaped our destiny across the last three decades have been 'global outsourcing.' For a quick recap, there was a time when companies manufactured virtually everything they needed from within. As competition put a premium on capital and bandwidth, companies began to outsource components to proximate suppliers within their line of sight. As outsourcing systems stabilised and related confidence increased, a larger manufacturing share was outsourced within proximity.

As wage rates increased within countries, outsourcing went global, but only to the extent of less-critical products initially, which later extended to a larger share. In the first phase, the outsourcing was linear and simple – components supplied directly from the manufacturer to the central user. Thereafter, the engagement to manufacture extended to a larger range of components; thereafter components yielded to assembled systems (comprising components); then supply extended from direct (manufacturing point to central user point) to a network (manufacturing

points to dispersed manufacturing points).

Theoretically, this would have appeared business-strengthening for both – buyer and supplier – had it not been for the emergence of game-transforming variables. Freight rates changed. Commodities costs increased. Tariffs altered. Wages strengthened. Shipping vessels availability varied. Buyers moderated outsourcing vendors.

A new niche emerged: vendors were now required to evolve into partners; erstwhile product suppliers were now required to deliver a holistic business – manufacturing, pricing, quality, environment and logistical - solution.

In the ever-unfolding business environment, vendors are now required to evolve into partners. There is a premium on the ability to manage risk, variables and deviations from the regular course. At Uniparts, we are proud to be providing flexibility and end-to-end solutions to our customers

#### Big numbers

3

Decades long and strong culture and value system

125+

Proud to serve an ever growing portfolio of marquee global customers



This transformed reality brought one word into a deeper relevance for outsourcing partners and companies like Uniparts. There was now a premium on the ability to manage risks, variables and deviations from plan. While it was necessary to create a robust business plan, there was a growing realisation that there would be Black Swans and the more competent outsourcing partner would be one that moderated delivery squeezes and bulges, delivering that Holy Grail of the global outsourcing world – ‘on-time and in-full’.

If I were asked, what is that one feature of the business of Uniparts that you are most proud of, my answer would be that we successfully showcased a model where we have taken much of the risk out of global sourcing.

The second attribute that empowered us to address a range of challenges was ‘broadbasing’. At Uniparts, ‘broadbasing’ is a philosophy; it is what we have always attempted to do with the objective to build redundancy, alternatives and back-ups as our hedge against a world where realities can change within hours.

Uniparts broadbanded from a complete revenue dependence on USA to 25+ countries.

We broadbanded from a predominant presence in the agriculture segment to the construction sector.

We broadbanded from a focused aftermarket player to now servicing the aftermarket as well as world’s leading OEMs.

We broadbanded from mere manufacturing replication to a complement of design, value engineering and re-engineering (design-validate-manufacture).

We broadbanded by investing in R&D and extending beyond system boundaries from core spaces to adjacent technology and business segments.

We broadbanded delivery from simple offshoring to a combination of simple offshoring and dual shoring (comprising redundant manufacturing and warehousing capacities), enhancing a customer’s assurance of timely products delivery.

We broadbanded through investments in ‘tangible’ and ‘intangible’ capabilities.

The result is in the numbers. During the pandemic, even as global supply

chains were extensively disrupted across companies, products and countries, Uniparts maintained a high fulfilment rate. Even while we manufactured and shipped products to our globally dispersed customers from half the world away, we did so with such a quiet efficiency that it was as if we were located next door. At any time during the pandemic we had material sitting either in our warehouses or on water; we brought product delivery turnaround time of a few weeks to a few hours when it mattered most.

This brings me to the third critical attribute at Uniparts: ‘culture.’ Culture is best expressed as our natural body language: how would any Uniparts member respond when faced with a business challenge? How would a Uniparts associate engage with team members in the pursuit of a common objective? How would a Uniparts member address customer needs? How would Uniparts respond across the line as a person on specific issues? These may appear to be elementary asks. They are not, especially in a business where one does not get to see the customer half the globe away and where one needs to feel that he or she is the ‘customer’.





At Uniparts, culture is the secret sauce of our success; take away our assets and we would still be able to rebuild the Company one person at a time on account of our distinctive culture. At the core of our culture is a framework of values we hold dear; if you take those values away, there would be no Uniparts. These values – a value system over a vision system - are all about what we want to be remembered for and remembered as, which is different from what size we seek to become. These values are about how we will reward merit over anything else. These values are about how we will encourage debate and dissent from the Board of Directors downwards. These values are about how we will treat our people. These values are about how we will engage with our stakeholders. These values are how we will treat the earth and the ecosystem around us. These values are about how we will enhance the prosperity of the communities around our facilities.

Our financials are in no way completely indicative of the strategic and managerial depth of our business, but I will put them down for the record.

Uniparts services the requirements of the ten largest agricultural

equipment brands in the world and also of five of the ten largest construction equipment companies in the world (ex-China). We also service the largest US aftermarket retail store chain. We reported 36% RoCE in FY2022-23 and 123% operating cash flow of PAT; we generated 23% EBITDA margin from revenues; we were net debt-free by the close of the year.

At Uniparts, we are utilising this enviable financial platform to grow our business faster. We have outlined distinctive priorities that represent the core of our business: we will seek to be number one or two in the businesses of our presence; we will deepen our presence in adjacent business spaces (UTV 3PL, Hydraulics, PTO and Fabrications) that widen our addressable market from US\$ 1 billion+ to US\$ 10 billion+; we will widen our focus on 70 horse power-plus tractors; we intend to market our products in more countries; we will seek larger wallet share and we are attractively placed to grow through organic and inorganic initiatives.

At Uniparts, we never lose sight of the fact that our performance will always be circumscribed by the way the world moves. And in

the light of this, I must state that the outlook has never been more encouraging. As a bipolar world becomes a reality following a trade disruption between US and China, more US corporates are seeking alternatives to China. To imply that this would widen opportunities for companies like ours would be an understatement; if even a modest proportion of supplies from China moves to India, it would warrant a complete re-appraisal of the way we intend to grow our business.

As things stand today, Uniparts is attractively placed to grow its earnings at a healthy pace, enhancing value for all its stakeholders. That is as far as the medium-term vision is concerned. I must assure our stakeholders that given exciting unfolding realities, we are attractively placed to graduate to the next orbit.

I am confident that our engagement will be transparent, profitable and sustainable.

**Gurdeep Soni**

Chairman and Managing Director



## VICE CHAIRMAN'S ANNUAL OPERATING REVIEW



The management was pleased with the Company's performance during the year under review.

## Were you pleased / disappointed with the working of the Company in the financial year under review? What reasons would you ascribe for this?

The management was pleased with the Company's performance during the year under review. Primarily, the Company's business model demonstrated resilience at a time of commodity price cum availability volatility, coupled with supply chain uncertainties, the management of which is integral to our business. The fact that the Company reported its highest revenue from operations of ₹13,660 million, profit after tax of ₹2,049 million and cash flow from operations of ₹2,528 million during the year under review indicates that its business model remained robust and relevant, especially global delivery model coupled with dual shore manufacturing and upsides from a 'China + 1' theme that is now beginning to emerge.

During the reported year, revenues increased 11.3%, EBIDTA strengthened 15.3% and profit after tax increased 21.4% in FY2022-23. The Company repaid almost all its debt by the last quarter and finished the year under review as net debt-free and net cash-positive.

## What operational features of the Company's working provided satisfaction?

There were various features of the Company's performance that enhanced satisfaction.

**One**, the listing of the Company's equity shares on Indian stock exchanges (BSE and NSE) on 12 December, 2022 represented the commencement of a new chapter in the enterprise's journey.

Uniparts leveraged its integrated precision engineering capabilities and its established global business model. This helped the Company address business opportunities

Uniparts continued to remain focused on its core values (passion, innovation, integrity, excellence and team work), a time-tested guiding light. These values continued to translate into customer stickiness, talent attraction cum retention and value creation for stakeholders.

and widen the addressable market (especially through the development of a 3-point linkage solution for utility terrain vehicles with accompanying implements, US\$ 200 million-plus estimated additional market opportunity).

**Two**, the Company widened its North American customer base. It added the second largest retail store group for farm equipment and accessories in North America as a customer, which is expected to widen outreach across the organised North American retail sector.

**Three**, Uniparts continued to remain focused on its core values (passion, innovation, integrity, excellence and teamwork), a time-tested guiding light. These values continued to translate into customer stickiness, talent attraction cum retention and value creation for all stakeholders.

**Four**, the Company continued to sharpen digital, analytical and predictive tools and processes that facilitated data-based decision making and enhanced customer service at a time of supply chain challenges.

## What challenges did the Company face?

There was an upward pressure on operating costs through the year; these were mitigated through enhanced internal efficiencies and price actions, ensuring a careful balance.

There was volatility in some inputs and costs like steel and ocean freight; these were countered through close monitoring and enhanced use of data-based decision making.

There have been concerns over a probable global economic slowdown; these are being monitored actively with a focus on ensuring our deliverables to customers and seeking a higher wallet share.

## How does the Company intend to enhance value going ahead?

What has worked well for the Company in the past is expected to sustain. The Company will continue to leverage its integrated precision engineering capabilities and established global operating model to widen its addressable market and carve out additional opportunities.

In a rapidly transforming world, there is an ongoing premium in being able to enhance engineering, innovation and design competence. There will also be a focus on being able to design and manufacture systems of higher value and widen service offerings. The Company will continue to remain opportunity-focused in seeking business-strengthening acquisitions or alliances.

## Paramjit Singh Soni

Vice Chairman and Executive Director





PART 4





How Uniparts  
is positioned to  
enhance value in  
a sustainable way

The Uniparts business model:

# Robust. Competitive. Value-accretive.



## Overall theme

We are a global manufacturer of engineered systems and solutions and are one of the leading suppliers of systems and components for the off-highway market in the agriculture and construction, forestry and mining (CFM) and aftermarket sectors. Over the years, we have evolved from a supplier capitalising on wage arbitrage benefits to a company that is now a partner providing holistic and enduring value to customers.

## Niche

The Company addresses a technology-driven niche range of products. The result is that even as the addressable end application market is large and open to competition, the Company occupies a niche in 3-point linkage systems, precision machined parts as well as gaining traction in adjacent products such as power take-off products, fabrications, hydraulic cylinders and components. The

niche focus proved business-strengthening: The Company is among the leading suppliers of systems and components for the off-highway market in the agriculture and construction, forestry and mining (CFM) sectors across some of the largest global markets.



## Global presence

The Company has positioned itself as a global player that has a large part of its manufacturing presence in India (and a part in USA). This global positioning has proved business-strengthening: it has exposed the Company to customer needs across terrains, enriching its granular understanding of the sector and corresponding product customisation. On the other hand, it has empowered the Company to build on the competitive platform offered by India.

The Company's sales are dispersed across 25 countries; its

key presence covers North and South America, Europe, Australia, Japan and India. This broadbased presence has helped moderate its concentration on any one continent or geography. Customers with whom the Company enjoyed long-term relationships comprised of the global who's who of the off-highway vehicles (OHV) industry. As an extension of the global mindset, the Company's manufacturing facilities are certified in line with international quality management systems built around a comprehensive tooling, testing and quality control infrastructure.

## Service flexibility

The Company's facilities in India, the United States and Europe are strategically located in proximity to several global OEMs in the off-highway vehicles industry. The Company's multiple delivery options comprise of local deliveries, direct exports and warehouse sales. The Company enjoys a track record of nurturing customer

relationships, commencing from a single geography or a particular product and gradually evolving over the years to a multi-geography or multi-product association with a long-term strategic alignment in terms of their production schedules, geographical needs, applications, vehicle sizes and technical specifications.

## Solutions

The Company evolved from a component supplier to a provider of complete assemblies of precision engineered products providing end-to-end solutions (product conceptualisation, design, prototyping, testing, development and assembly), becoming an integral part of customer global supply chains. The Company's significant integration reduces its dependence on external supply

and support services, making it possible to maintain quality controls required to service global OEMs and aftermarket players.

The Company manufactures the complete range of products that offers an integrated system solution across the organised aftermarket and large farm retail stores in addition to various levels of the off-highway vehicle component value chain. By the virtue of being able to offer a product suite, the

Company generates attractive value-added revenues – combining volume with value. The Company's product range comprises products with sizes varying from less than 1kg per part to more than 100kg per part (depending on the application). PMP parts are individual parts with significant but customised load bearing capability; the 3-point linkage system comprises multiple assemblies. By the virtue of being able to address diverse – and often



specialised – requirements, the Company has built a legacy of engineering insight that has helped it to evolve from a mere parts provider into a solutions partner.

As a development partner, Uniparts offers in-house testing and validation services, ensuring shorter time-to-market for customers, while addressing the structural requirements related to end equipment application.

### Focus

Uniparts is a global manufacturer of engineered systems and solutions, with a strong presence in the off-highway vehicles (OHV) market serving the agriculture and construction, forestry and mining (CFM) sectors. The Company services the agriculture and CFM sectors, as well as several organised aftermarket players and large farm and fleet retail store chains. Revenues from OEM sales accounted for 83.8% of finished goods sales and from the after-market segment accounted for 16.2% during the year under review.

### Adjacency

The Company also addresses adjacent products like PTO, fabrications and hydraulic cylinders. A power take-off (PTO) device transfers power from a tractor to an implement (tiller or mower) and distributes it within the machine. The Company specialises in producing PTOs for the agriculture sector. Hydraulic cylinders use fluid power to generate linear motion for moving mechanical components. Fabricated equipment (trailer hitches, front hitch components and engine frames) are synergic to the Company's offerings and the end vehicle types.

### Knowledge

The Company has protected its competitiveness through the interplay of knowledge-led design and manufacturing of a range of SKUs (more than 10,000). The 3PL system comprises assemblies that allows implement to be attached to the tractor at three coupling points.

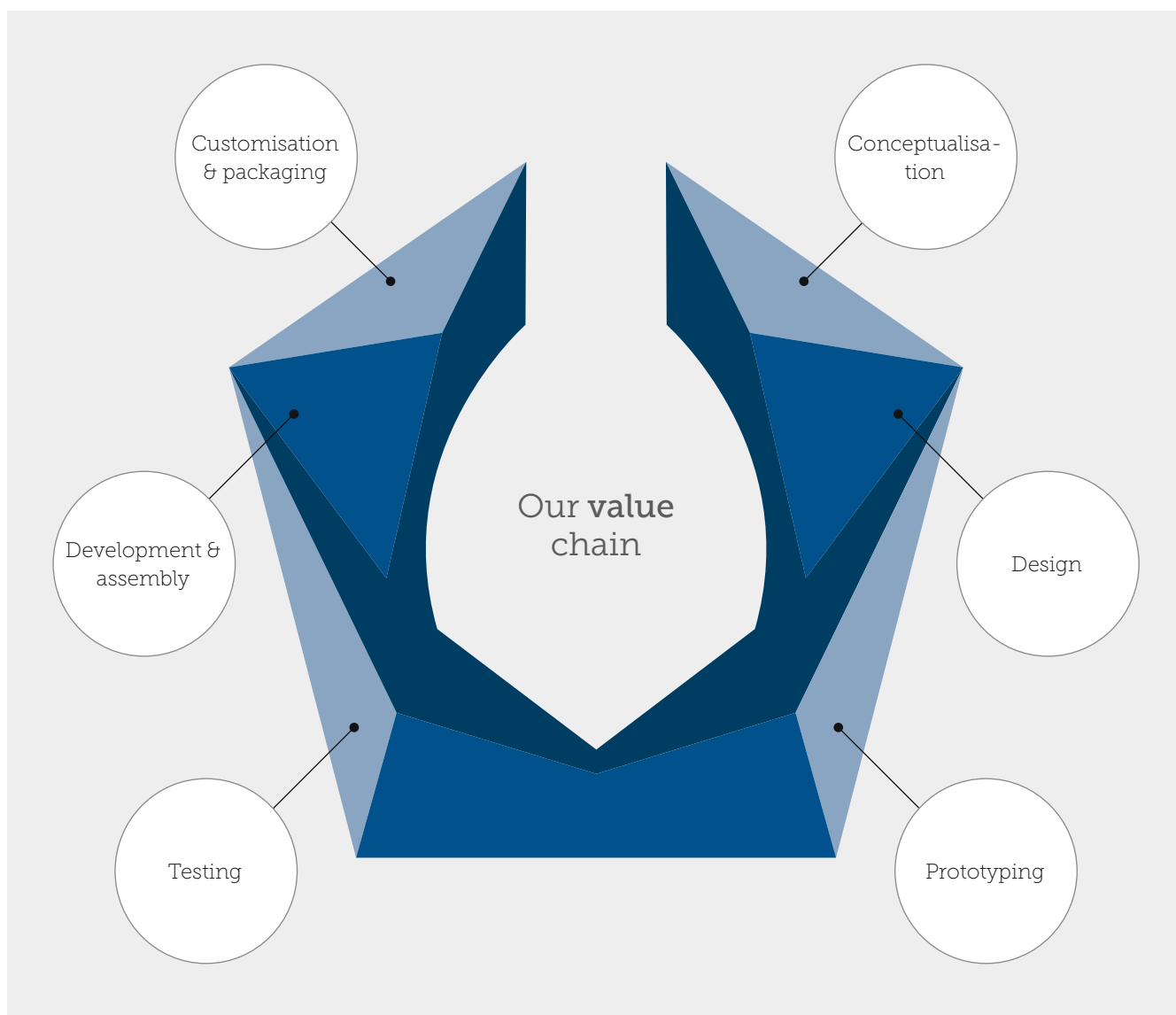
This warrants a deep understanding of loads, dynamic motion and metallurgical properties. The competence comprises efficient load transfer to tractor wheels and adaptability to different positions in a changing application environment without compromising the vehicle's movement and balance.

A corresponding engineering competence is visible in the manufacture of precision-machined parts, marked by the inclusion of threads, holes, grooves and tapers that must then be compatible with the corresponding design of the complementary part, enhancing solution seamlessness.

### Relationships

The Company's solutions-orientation has translated into regular order inflows as well as new business awards from some of the largest customers. Most of these customers work with established vendors into the long-term, enhancing revenue visibility if business fundamentals do not drastically change. The average relationship tenure with majority of customers was 15+ years in FY2022-23.





### Policy and demographic tailwinds

We believe that our end markets are likely to witness tailwinds of policies and demographics over the coming years. An increasing number of governments are seeking to deepen their infrastructure investments. India, China and US are investing in an unprecedented way in their infrastructure, expected to widen and deepen the offtake of construction equipment using parts manufactured by us. Further, governments over the world have been increasing their focus on food

security and have been providing policy and fiscal support to their agriculture sectors. Besides, global farming sector profits have been healthy in recent years, which could sustain a reinvestment in high value agriculture equipment. A growing global population would continue to demand higher total food intake, enhancing the need for more agricultural produce.

### Looking ahead

The Company will capitalise on its integrated precision engineering capabilities and introduce products to expand its addressable market. The Company will target new customer accounts while continuing to widen existing accounts. The Company will deepen new product and solutions development through selective investments. The Company will focus on value-addition and enhanced service offerings to improve margins. The Company will seek to grow inorganically through strategic acquisitions and alliances.



# How Uniparts is enhancing value for all its stakeholders

## Overview

The Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner. The report draws on diverse strands (financial, management commentary, governance and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

## Who we create value for

**Our employees** represent the aggregate knowledge of how to grow the business across a range of functions (raw material procurement, manufacturing, business development, sales, quality, finance etc.). We provide an energised workplace, growing employment and help enhance talent productivity

**Our shareholders** provided initial and growth capital. Our focus is to generate reinvestable free cash or undertake investments around shortening paybacks, enhancing RoCE and, in doing so, increase value of shareholder holdings

**Our vendors** provide a continuous and critical supply of inputs (metals, equipment and services). We optimise inputs procurement through a reliable supply chain with long term association orientation.

**Our customers** consistently buy our products, generating the financial resources to grow. Our focus is to supply superior and more value added products to more customers and retaining them, provide them dependable supply chain partnership and enhancing our revenue visibility

**Our communities** provide us with social capital (education, culture, security, safety etc.) and, in turn, we support these communities through consistent engagement

**The governments** of the geographies we operate in provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen

At Uniparts, the prudent interplay of the value generated by each stakeholder ensures business sustainability and enhanced stakeholder value.

## The resources of value creation

**Natural capital:** We derive all our resources - water, fuel, raw material— from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation needs to do to operate within environment limits.

**Social and relationship capital:** This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise licenses or dependence on the supply chain.

**Intellectual capital:** This includes resources like patents, copyrights, intellectual property and organisational systems, procedures and protocols.

**Human capital:** This refers to organisational skills and know-how, marked by talent retention and training leading to outperformance.

**Financial capital:** This comprises funds obtained through shareholders, lenders or earnings - the funds pool available to manufacture goods and carry out operations.

**Manufactured capital:** This comprises physical infrastructure like buildings, equipment and tools that enhance organisational productivity.



## Drivers of value creation

### Physical proximity and delivery options versatility

Near-shore manufacturing makes it possible to manufacture in the geography and deliver at the customer's doorstep

Warehouses make it possible to address just-in-time and critical/short notice supply needs.

Offshore manufacturing makes it possible to manufacture where the arbitrage delta is the widest

**Advantage:** The flexibility makes it possible to address the varied delivery and pricing needs of customers

### Portfolio expansion

Extending the system boundaries by moving into adjacent spaces

Value-added solutions for adjacent vehicles and equipment types (such as 3PL for utility terrain vehicles)

Increasing vehicle wallet share; launch new products; climb the value chain

Extend into adjacent OHV areas; offering integrated system solutions

**Advantage:** High moat, stronger customer retention and superior margins

### Cross-sell products

Cross-sell products to existing customers across additional locations

Cross-sell different products to same customer

Leverage manufacturing, warehousing and distribution infrastructure

Strengthen positioning as a integrated global solutions partner

**Advantage:** Evolution from supplier to partner for marquee customers and deepen relationships

### Warehousing sales growth

Expand international warehousing and distribution operations

Increased proportion of warehousing sales in sales model mix

**Advantage:** Delivery model premium and customer stickiness

### Strong and lasting customer relationships

Leverage relationships with large renowned global players in OEM and aftermarket space

Forge and nurture new relationships

Cross-sell products from one segment to another

Enhance wallet share of the customer's spend per vehicle

**Advantage:** Account for a higher share of the customer's procurement outlay

### Innovation

Focus on process and product innovation cum value engineering solutions

Address a wide range of vehicles, geographies, applications and customer specifications

Created a 3-point linkage system and implements for utility terrain vehicles

**Advantage:** Strengthen position as a partner of first choice

### Operational integration

Focus on strategic acquisitions and investments in forward integration

Strengthen positioning as an integrated, full system solutions provider

Address the widening and deepening needs of the agriculture, construction, forestry and mining sectors

**Advantage:** Capture value across the chain

# Our value creation strategy

## Strategic focus

## Key enablers

<p><b>Innovate and excel</b></p>	<p>Building on a culture of manufacturing and outsourcing excellence; mix</p>	<p>of dual shoring and warehousing; on-time and in-full delivery; built-in redundancies,</p>	<p>superior process yield and higher throughput.</p>	<p>Continued focus and investment in adjacent products</p>
<p><b>Cost leadership</b></p>	<p>Focusing on operational excellence leading to cost leadership</p>	<p>The Company is one of the lowest cost producers</p>	<p>in the areas of its presence  This is the result of scale, resource</p>	<p>proximity and financial prudence</p>
<p><b>Supplier of choice</b></p>	<p>Reinforcing customer engagements through adequate</p>	<p>capacity, timely product delivery and high product quality</p>	<p>Marked by the ability to service customers anywhere and</p>	<p>providing flexibility to suit varied requirements</p>
<p><b>Robust people practices</b></p>	<p>Deeply embedded value system (passion, innovation, integrity,</p>	<p>excellence, team work)  The Company's people engagement has been marked</p>	<p>by delegation, accountability and empowerment  The Company's invigorating</p>	<p>workplace is marked by training, engagement, fair appraisal and attractive reward</p>
<p><b>Responsible corporate citizen</b></p>	<p>Focusing on responsible corporate citizenship</p>	<p>The Company is engaged in community development</p>	<p>activities around its manufacturing facility</p>	<p>The Company committed ₹180 lakh to CSR activities, FY2022-23</p>
<p><b>Value-creation</b></p>	<p>Focusing on enhanced value for all stakeholders</p>	<p>Fostering human capital  Prudent deployment of</p>	<p>resources (funds, materials etc)  Our products are used in applications</p>	<p>that enhance food security and construction – fundamental to human existence</p>



### Material issues addressed

### Capitals impacted

Technology and innovation leading to production efficiency, quality, portfolio expansion, expanded market opportunities

Manufactured, Intellectual, Financial

Creating the basis of long-term viability through competitiveness

Financial, Intellectual, Social and Relationship

Enhancing revenue visibility through product criticality, enduring customer relationships, and global preference alignment

Social and Relationship, Financial

Creating a people-driven company reflecting its value system

Intellectual, Human

Deepening community engagements through programmes that enhance community prosperity

Social and Relationship, Natural

Addressing the value-enhancing needs of stakeholders

Human, Financial, Social and Relationship



# Enhancing stakeholder value

## Employee value

Employee benefit expenses	FY2020-21	FY2021-22	FY2022-23
(₹ crore)	185.4	219.6	239.6

The Company continues to invest adequately in employee benefits underlining its commitment to building a versatile pool of human capital

## Customer value and Vendor value

Revenue from operations	FY2020-21	FY2021-22	FY2022-23
(₹ crore)	903.1	1,227.4	1,366.0

The Company increased revenues, an index of the value created for customers. Correspondingly, the Company also spent commensurately on buying input materials and services from its vendor base.

## Shareholder value

Market capitalisation	As on 31 Mar 2023
(₹ crore)	2,434

The Company's shares got listed on Indian exchanges on 12 December, 2022. Management continues its endeavor to strengthen shareholder value through a complement of prudent business strategy, accruals reinvestment, cost management and regular payouts (e.g. dividends).

## Community value

CSR investment	FY2020-21	FY2021-22	FY2022-23
(₹ crore)	0.76	1.00	1.80

The Company enriched communities in the geographies of its presence through a complement of CSR programmes



## RISK MANAGEMENT

# At Uniparts, risk management and mitigation is a key priority

### Overview

There is a growing recognition that profit protection must co-exist with growth in a world marked by Black Swan events. There is a priority for comprehensive risk mitigation with a commitment to protect viability during economic weakness and rebound during recovery. This commitment to comprehensive de-risking was drawn from an enduring Uniparts commitment to de-risking woven around a complement of principles.

### Our principles

- Engaged in business marked by global outsourcing
- Addressing industries with a large operating headroom
- Investing in growth as the fundamental de-risking initiative
- Establish cost leadership, strengthening market competitiveness
- Grow around checks and balances, enhancing business predictability
- Reduce reliance on external funding for business growth
- Broadbase business drivers, moderating a disproportionate

dependence on any one or few factors

### Reconciling speed with stability

At Uniparts, our focus is on growth without compromising business quality through the following considerations:

The Company is not obsessed with 'How rapidly can we grow?' as much as 'How rapidly can we grow in a sustainable manner?'

The Company's growth is structured around institutionalised processes and systems, eliminating ad hoc decision-making.

The Company created a Group level Risk Management structure to respond to changes in the external and internal business environment as an when they transpire (real-time) and implement counter measures.

The Company extended risk understanding from the strategic and macro to the micro to widen risk understanding from the Board to the individual employee level, creating a holistic culture of preparedness.

*Please refer to the Corporate Governance Report Section of the Annual Report for further details and insights on Risk Management and functioning of Risk Management Committee.*

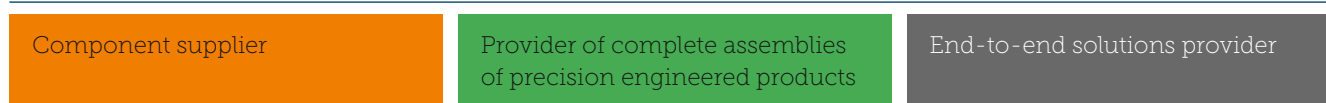




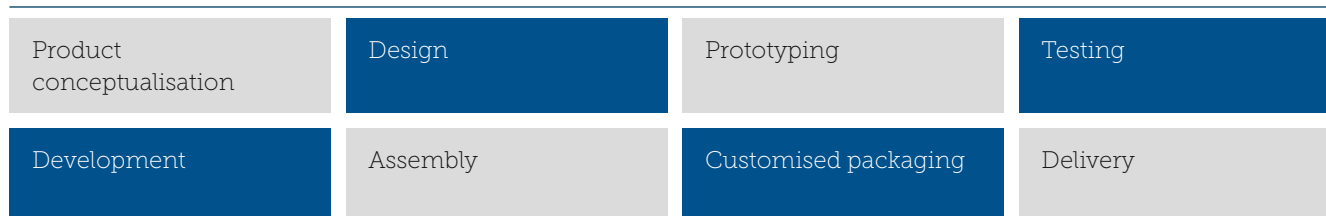
BUSINESS DRIVER

# Our manufacturing competence

## Our evolution



## Our end-to-end solutions



### Overview

- Global manufacturer of engineered systems and solutions
- Among the leading suppliers of systems and components for the off-highway market in the agriculture, construction, forestry, mining and aftermarket sectors.
- Operates seven strategically located manufacturing facilities across India and the United States.
- The Company has state-of-the-art equipment for manufacturing operations such as forging, machining, heat treatment, welding, surface finishing, grinding, induction hardening etc. along with equipped labs and a 3PL life cycle testing facility
- The dual-shore capability allows the Company to service customer requirements from alternate locations, providing customers the benefit of regular supply and competitive manufacturing operations.

- The Company's manufacturing units are state-of-the art with well-equipped processes and cutting-edge technologies.
- The Company's manufacturing facilities are ISO 9001:2015-certified while four of our manufacturing facilities in India are ISO 14001:2015-certified

### Highlights, FY2022-23

The Company commenced production at a new facility in Ludhiana under the newly incorporated wholly owned subsidiary Gripwel Conag Private Limited





## BUSINESS DRIVER

# Our customer relationship management

### Overview

Our customer base comprises a number of global OEMs and in our experience, our ability to serve such customers has allowed us to scale our operations over the years. We have long-term relationships with global OEM players in the agriculture and CFM sectors. We primarily serve OHV players including OEMs and aftermarket retail store chains, through our global business model, based on our dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions. Our global business

model has contributed in the evolution of our relationships with key customers, as we are able to serve multiple delivery locations and provide multiple delivery options with flexible lead times and costs, allowing us to serve our customers better. The Company continuously invests in human resources as well as analytical and planning tools to ensure that customer needs are well serviced in the most optimal and seamless ways, generating superior customer experience.

### Highlights, FY2022-23

- Developed a 3 point linkage solution for Utility Terrain Vehicles (UTVs) an extension of the addressable market for the Company
- Added second largest retail store group for the farm equipment and accessories in North America as a new customer.
- Added another OEM customer in South Korea. South Korea holds potential to become a meaningful geography in the Asia-Pacific region with Japan over the coming years.



## BUSINESS DRIVER

# Our supply chain management

### Overview

Steel is the main raw material required for Company's manufacturing operations. We have a diverse portfolio of vendors supplying steel and we are not significantly dependent on any single vendor.

For our Indian manufacturing operations, we source steel directly from Indian steel mills. We have also developed a supply chain for sourcing specific forms of steel from China for our manufacturing facilities in India. Steel used for products manufactured in our

Eldridge facility is sourced within the United States from distributors.

We also buy semi-finished and processed inputs (i.e. bought out parts) from a well established and diverse vendor base. We target working with vendors and supply chain partners who have implemented good manufacturing and trade practices with a high quality focus. Vendor relationship is an integral and critical part of the Company' operational strategy. We also mitigate the price risk through flexibility and proximity in the supply chain with a clear

understanding in our pricing mechanism with suppliers.

### Highlights, FY2022-23

The Company continue to focus on the following:

- Risk mitigation
- Optimisation
- Sourcing synergies
- Strengthening of vendor relationships



## BUSINESS DRIVER

# Our sales and marketing capability

### Overview

At Uniparts India, our competitiveness has been derived from the ability to market a portfolio of products that enhance our customer benefits on the one hand and moderate any undue dependence on few core categories on the other. We manufacture out of seven locations to cater to customers globally through an established supply chain and warehousing network.

Our business development team focuses on identifying and developing customer relationships

and securing new business awards. Our business development and sales/customer service organisation comprised over 50 proficient members committed to generating superior customer experience.

The sales and customer service function is decentralised at each physical location that ships products to customers. With strong customer orientation and commitment, we endeavour to meet high standards of delivery and response time as per the expectations of our customers.

### Highlights, FY2022-23

The Company continues to focus on the following:

- Strengthening of existing relationships
- Forging new associations
- Market intelligence
- Trend analysis and forecasting





## BUSINESS DRIVER

# Our digitalised personality

### Overview

Digitalisation is no longer fringe to companies; it is integral. The competitiveness of companies is largely dependent on the extent of digitalisation, enhancing agility, adaptability and scalability. Uniparts is engaged in deepening its digital transformation to enhance competitiveness and reduce the reaction time to unique situations.

At Uniparts India, the nature of digitalisation has widened, reflecting in initiatives to enhance systemic efficiency, redundancy, safeguard from viruses and cyber-attacks, accelerate data retrieval and strengthen business continuity. The Company's IT team establishes and maintains enterprise information systems and infrastructure services that support business requirements.

The Company implemented business intelligence tools to enable key metrics and performance dashboards available at the click of a button. The business-critical IT infrastructure is hosted in a reliable data centre with 24x7 monitoring and service support. During the year under review, Company's IT team stepped up to support a record business volume amidst a challenging global backdrop. The Company's investment in automation strengthened the scalability of its operations worldwide and is expected to help in achieve synergies from strategic acquisitions and investments. The Company invested in data analytics to foster data-based decision making.

### Highlights, FY2022-23

The Company continue to focus and invest on the following:

- Digital tools for improved forecasting and end-to-end planning
- Business Intelligence tools
- Advanced level financial integration and reporting solutions
- Skill set upgradation and training on advanced tools and methods
- Several improvement initiatives started/continued, including infrastructure modernisation, disaster recovery planning and cloud journey



ENVIRONMENT - SOCIAL - GOVERNANCE (ESG)

# How we have grown our business around a robust ESG foundation



## Overview

At Uniparts, we live the role of a responsible corporate citizen. This responsibility is marked by a growing focus on environment-social-governance (ESG) that addresses our responsibility towards all our stakeholders.

At Uniparts, we also believe that a responsible ESG culture enhances

competitiveness and sustainability. This competitiveness, among other measures, is manifested in topline growth, cost reduction, minimised regulatory and legal interventions, increased employee productivity and optimised capital efficiency.

## #1: Our Environment commitment

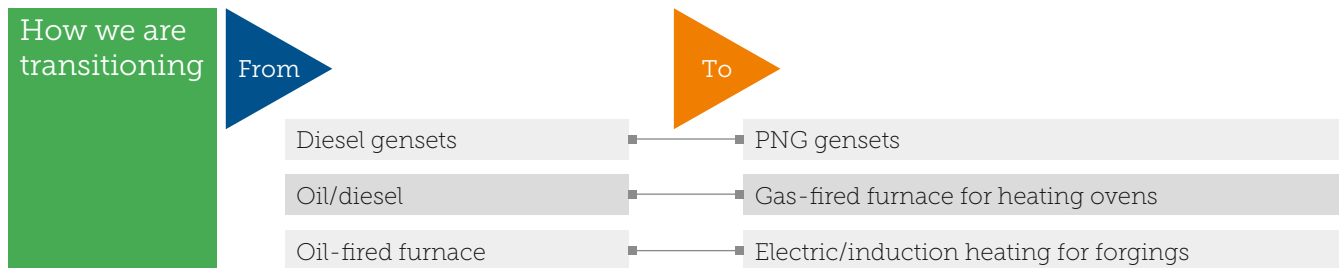
The 'E' in ESG, which stands for environmental criteria, comprises the energy that we consume, the waste we discharge, the resources we need and the consequences of our actions on living beings. Besides, 'E' comprises carbon emissions and actions related to climate change.

### Building resilience towards climate change

The Company has been investing in assets, equipment, people, processes and practices to moderate its carbon footprint. There is a commitment to reduce energy intensity, reduce

greenhouse emission intensity and graduate to cleaner processes and fuels. These initiatives comprise maximising the use of natural day light in the manufacturing facilities, replacing traditional lights with advanced LEDs and the use of variable frequency drives

on compressors and motors for enhanced energy conservation. The Company is committed to water treatment and recycling – reusing 60% to 90% water – across its Noida and Ludhiana facilities. The use of low-temperature evaporator technology in Ludhiana enables up to 98% water re-use. In the last few years, the Company has moved from diesel gensets to PNG gensets, from oil/diesel to gas fired furnace for heating ovens and from oil-fired furnace to electric/induction heating for forgings.



## #2: Our Social commitment

The 'S' in ESG, social criteria, addresses the relationships our Company enjoys and the reputation it fosters with employees, customers, vendors and institutions in the communities where we do business. 'S' comprises the role of harmonious industrial relations, diversity and inclusion.

At Uniparts, our people-driven ferment has progressively enriched, resulting in sustainable and superior performance.

of prosperity through relevant interventions. The Company played the role of a responsible corporate citizen and conducted itself in a social, ethical and responsible manner. The Company's CSR function comprised initiatives in the areas of Covid-19 assistance, environment protection, health, sustainable livelihoods, education among others.

### Employees

At Uniparts, the 'good' is not merely good enough; we have invested in overarching excellence directed towards emerging as a benchmark in terms of quality (product and process) as well as resource productivity leading to continuous cost management and sustainability. We have made prudent investments (recruitment, retention and training) to enhance efficiency, effectiveness and inclusion across all our business functions. Besides, we invested in practices that have enhanced safety,

health and well being – training, protocols, certifications and investment in awareness building.

### Customers and vendors

The Company has continuously focused on deepening relationships with customers and vendors (trade partners).

### Community

The Company has engaged with the community around its manufacturing locations with the objective to widen the circle

### CSR outlay

1.8

₹ crore, CSR outlay for the year ended 31 March, 2023

1.0

₹ crore, CSR outlay for the year ended 31 March, 2022



## #3: Our Governance commitment

The 'G' in ESG, governance, represents the framework of practices, controls and procedures our Company has invested in to govern itself, make decisions, comply with the law and address needs of external stakeholders.

At Uniparts, governance comprises a commitment to enhance predictability and consistency, attracting stakeholders who believe in doing business our way. This is visibly reflected in the fact that a large proportion of our trade partners have remained with us for years, enhancing revenue predictability.

### Long-term

We have selected to build the business around long-term endurance and commitment. This approach has influenced our investments in assets, technologies, people, locations, products and partners. We believe that this approach has translated into the highest standards of integrity, governance and competencies.

### Controlled growth

We believe that business sustainability is best derived from controlled growth as opposed to one-off profitability spikes. The Company allocated accruals into incremental investments without stretching the Balance Sheet. The

result is that the Company has grown revenues and improved profitability even in the most challenging of times.

### Balanced approach

We have selected to balance caution and aggression (strategic aggression and tactical conservatism), resulting in a relatively de-risked approach. We focus on capital investments generating an attractively short payback, maximising cash flows and reinvestment into the business.

### Board of Directors

Our strategic direction is largely influenced by our Board of Directors. Our Board composition comprises professionals and

industrialists of standing, who have enriched our values, experience, multi-sectoral understanding and strategic quality.

### Trust

There is one word that encapsulates all that we are and all that we do – 'integrity'. Trust is the underlying element why customers seek to buy from us, why employees work with us for the long-term, why vendors sell to us without interruption, why investors have faith in us and why communities support us.

### Systems and processes

At Uniparts, we believe in having modern systems and processes which combine agility with internal controls. We believe there is a governance and internal control environment commensurate with the scale and nature of operations of the Company.



# Board of Directors



## Mr. Gurdeep Soni

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Chairman and Managing Director

Mr. Gurdeep Soni, the Chairman and Managing Director of the Company, has been an integral part of the organisation since inception. He joined the Company as a Director on 26 September, 1994 and has played a key role in its success. With a Masters degree in Management Studies from the prestigious Birla Institute of Technology and Science, Pilani, he brings a wealth of knowledge and expertise. Mr. Soni brings 43 years of work experience, including various positions within the Uniparts Group. He oversees the day-to-day operations of the Company and holds responsibility for the after-market business of the Uniparts Group.



## Mr. Paramjit Singh Soni

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Executive Director and Vice Chairman

Mr. Paramjit Singh Soni serves as an Executive Director of the Company and has been a part of the organisation since its inception. He was appointed as a Director on 26 September, 1994. He holds a Bachelor's degree in Commerce from the University of Delhi. In 41 years of work experience, he has held various roles within the Uniparts Group and is based in the USA.

Mr. Soni plays a pivotal role in the Uniparts Group's OEM business, taking charge of its operations. He contributes to the formulation of corporate strategies and planning. His expertise lies in business growth and diversification. Mr. Soni's contributions have been instrumental in shaping the Company's direction and success.



## Mr. Herbert Coenen

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Non-Executive Director

Mr. Herbert Coenen serves as a Non-Executive Director of the Company and was appointed to the position on 12 January, 2013. He holds a Diploma in Mechanical Engineering from University of Applied Science, Cologne. With over 36 years of experience, Mr. Coenen worked with GKN Walterscheid GmbH before joining the Uniparts Group in May 2005.

Mr. Coenen has played a pivotal role in business development, expansion and technology adoption. His expertise and contributions have been instrumental in driving the Company's operations. He holds the position of Managing Director of our subsidiary Uniparts India GmbH.



### Mr. Alok Nagory

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Independent Director

Mr. Alok Nagory serves as an Independent Director of the Company, having been appointed to the position on 23 August, 2014. He holds a Master of Science degree in Biological Science from Birla Institute of Technology and Science, Pilani. Mr. Nagory possesses 44 years of experience in international business development, joint ventures and acquisitions, during his tenure at The India Thermit Corporation. Mr. Nagory holds the esteemed positions of Chairman and Managing Director at The India Thermit Corporation Limited.



### Mr. Sanjeev Kumar Chanana

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Independent Director

Mr. Sanjeev Kumar Chanana serves as an Independent Director of our Company. He was appointed as the Director of our Company on February 17, 2022. Mr. Chanana holds a Bachelor's degree in Law and a Master's degree in Arts from the University of Delhi. He is a member of the Institute of Company Secretaries of India. Mr. Chanana brings over 25 years of extensive work experience in investments, technology and corporate governance. He was previously associated with Oriental Insurance Company Limited and The New India Assurance Company Limited.



### Mr. Sharat Krishan Mathur

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Independent Director

Mr. Sharat Krishan Mathur serves as an Independent Director of the Company and was appointed to the position on 29 November, 2013. He holds a Bachelor's degree in Engineering from Birla Institute of Technology and Science, Pilani. With over 37 years of experience, Mr. Mathur has managed complex outsourcing, remote project management and process re-engineering. Mr. Mathur has held significant roles in various companies across sectors, including his tenure at Maclean Power Systems. In 2008, he co-founded Insight Alpha, a primary research firm specialising in connecting institutional investors with industry experts in India and South-East Asia.



### Ms. Shradha Suri

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Independent Director

Ms. Shradha Suri serves as an Independent Director of our Company, having been appointed to the position on 23 August, 2014. She holds a Masters degree in Science from the London School of Economics and Political Science, University of London, as well as a Masters degree in science with a focus on international marketing and management from the University of Leeds. With over 22 years of experience, Ms. Suri has played a pivotal role in the management of affairs, policy formulation cum implementation, strategic direction and overall operations of Subros Limited. She holds the position of Chairperson and Managing Director of Subros Limited, a part of the Suri Group. The Suri Group encompasses diverse businesses, including automotive components, cooling systems, hospitality, telecom and education. Ms. Suri's rich experience and leadership extends beyond her role in our Company. She serves as the Co-Chairperson of the Northern Region of the Automotive Components Manufacturers Association of India.





# Management discussion and analysis

## Global economy

### Overview

The global economy was estimated to have grown at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by

the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs.

Global inflation was 8.8% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its multi year high. The result is that the world ended in 2022 concerned that the following year would be slower.

## Performance of major economies

<b>United States:</b> Reported GDP growth of 2.1% compared to 5.9% in 2021	<b>China:</b> GDP growth is expected to contract from 8% in 2021 to 3% in 2022.	<b>United Kingdom:</b> GDP is expected to grow 4.1% in 2022 compared to 7.6% in 2021	<b>Japan:</b> Reported growth of 1.7% in 2022 compared to 1.6% in 2021	<b>Germany:</b> Reported GDP growth of 1.8% compared to 2.6% in 2021
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Source: IMF data, OECD data, World bank data

### Outlook

The global economy is projected to grow a weak 2.9% in 2023, marked by sustained Russia-Ukraine conflict and higher interest rates. Global inflation is projected to be

6.5% in 2023 (Source: IMF). On the positive side, the reopening of China's economy after the waning of the pandemic, the decline in the European energy crisis and robust US consumption outlook (despite

high inflation) remain positives. Interestingly, even as the global economy is projected to grow less than 3% for five years, India and China are likely to account for half the global growth in 2023 (IMF).

## Indian economy

### Overview

Even as the global conflict remained geographically distant from India, ripples comprised increased oil

import bills, inflation, cautious government and a sluggish equity market. India reported an economic growth of 7.2% in FY2022-23. India emerged as the second fastest-growing G20 economy

in FY2022-23. India had retained its position as the fifth-largest global economy and was seen as a principal driver of the global economy (with China).

Growth of the Indian economy	FY20	FY21	FY22	FY23
Real GDP growth(%)	3.7	-6.6%	8.7	7.2

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the year 2022 delivered 6% higher rainfall than the long-period average. Inflation data on the wholesale Price Index (which calculates the overall prices of goods before selling at retail prices) eased to 4.73% during

the period. In 2022, CPI hit its highest of 7.79% in April 2022; WPI reached its highest of 15.88% in May 2022.

### Outlook

According to the World Bank April 2024 projections, India's GDP is

projected to expand by 6.3% In FY2023-24, supported by domestic demand and increased public investment. India's retail inflation rate could decline from 6.6% to 5.2% in FY2023-24.

## Industry overview

### End-industry overview (Off-Highway Vehicles)

The off-highway vehicles (OHV) industry, which is the core focus for us at Uniparts, is estimated to be over US\$ 200 billion\* in size and our two core product verticals of 3 Point Linkage (3PL) and Precision Machined Parts (PMP) address a market size of over US\$ 1 billion\*. Uniparts has a leading market share in both of these globally.

In addition, the adjacent product systems of Power Take Off (PTO), Hydraulic Cylinders and Fabrications have an estimated market size of over US\$ 10 billion\*.

(\*Management estimate)

Uniparts is present in the OEM and Aftermarket segments with a strong global business model and marquee customer base.

The calendar year 2022 and Fiscal year 2022-23 ended on a strong note for the global off-highway industry with most leading OEM and Aftermarket players reporting multi-year high revenues and profitability

The North American large agriculture and construction equipment market is expected to remain strong with healthy end-user demand. The North American small agriculture segment is witnessing short-term softness. Demand from Europe-based OEM customers remains stable-to-positive. The aftermarket segment in Europe and USA continues to witness softness, impacted by a transient inventory level re-

balancing by customers due to improving logistics

The monsoon performance in 2023 and its impact on the Indian domestic tractor market remains to be seen.

The prevailing macro concerns over possible global economic slowdown/recession continue to remain a key monitorable over the ensuing financial year. While the operating environment in the immediate short-term remains mixed with pockets of strengths as well as softness in the medium to longer term, as large global players are increasingly looking beyond China, India's manufacturing sector is expected to benefit significantly from this, and we continue to witnessing favorable impact on new inquiries. The new enquiries, engagements and conversions owing to the China+1 theme continue to be robust. Further, the global push for infrastructure (fresh and re-building), including the US\$ 1 trillion Infra Bill, and robust income levels of global agriculture industry are expected to keep demand for new equipment at healthy levels.

### Global tractor market

The global tractor market was estimated to be approximately 2.1 million units (2021) with an projected growth rate of 4.1% upto 2026. India, being the largest producer in the world, accounted for nearly half of the number of units produced while other key geographies such as Europe, North America, Japan and China produced between 8% to 12% each.

(Source: CRISIL Report)

### Growth drivers

**Healthy farm incomes:** Farm income levels globally remain healthy and higher than the last several years, supporting further investments by farmers in new and replacement equipment.

**Increasing population and demand for food:** Growing world population coupled with an increase in the calorific intake provides a secular trend towards a sustained need for quantity and diversity of farm produce across the globe.

**Mechanisation of farming:** Mechanisation levels in farming vary between geographies with Europe leading the way with higher mechanisation and larger equipment sizes while India and bulk of Asia have catching up to do in farm mechanisation. With large arable land mass and farming community in Asia, the level of mechanisation and types of machines and implements are expected to increase over coming years.

**Policy support from governments:** With food security as one of the key priorities, governments across major economies have continued supporting the farming activities in various ways including but not limited to Minimum support prices of food grains (by Indian Government), Farm subsidies (by US government).

**Replacement demand:** Supply chain disruptions in the last few years due to Covid-19-led uncertainties, led to shortages of inputs at various levels and constraints in new equipment availability across the globe. The supply chain issues are gradually



getting resolved. It is estimated that a lot of replacement demand got accumulated during this period, which, in addition to the regular replacement demand, could lead to healthy demand over the coming period.

## Global construction equipment market

The global construction equipment market was estimated to be approximately 1.3 million units (2021) with a projected growth rate of 3.3% upto 2026. China contributes largest portion of construction equipment, accounting for nearly 42% of the number of units produced while other key geographies such as Europe, North America and Japan produced between 15% to 20% each. (Source: CRISIL Report)

## Growth drivers

**Rising urbanisation:** Rising urbanisation continues to push demand for housing, urban infrastructure, transportation infrastructure across the globe. This has direct impact on demand for construction equipment worldwide.

**Infrastructure projects:** New infrastructure build-up and old infrastructure redevelopment is high on priority for several countries in the quest for growth, self reliance, economic leadership, improved quality of life for residents. Airports, ports, rail and roads, defence establishments etc form a major part of infrastructure build-up globally. This is expected to be one of the key drivers for demand for construction equipment worldwide over medium to long term. As

examples of national level large infrastructure push, USA proposed an infrastructure bill of US\$ 1 trillion spending across eight years to modernise legacy infrastructure, which would catalyse construction equipment offtake. China has made around US\$ 1 trillion of government funds available for construction projects.

**Commodity prices:** Prices of global commodities such as crude, steel, aluminium and copper etc, although now lower than their recent multi-year highs, but are still at levels where producers profitability and cashflows are healthy and further investments in capacities can continue to happen.

## Company overview

Uniparts India Limited (UIL), established in 1994, is a global manufacturer and supplier of engineering systems and solutions catering to global original equipment manufacturers (OEMs) in the off-highway vehicle

(OHV), agricultural machinery and construction equipment sectors. The Company's main products include three-point linkage assemblies precision machined parts, hydraulic cylinders, power take-off devices and fabrication parts for the agriculture and construction sectors. Uniparts India

Limited operates six manufacturing units across India and one in the USA, which are equipped with forging, machining, heat treatment, welding capabilities, among others. The Company also has three warehouse facilities (two in the USA and one in Germany) for its overseas customers.

## Company strengths

### Leading market position

Uniparts has an estimated market share of 16.68% in the global 3PL market in tractors and 5.92% in the worldwide PMP market in the CFM equipment segment - a leading market position. (Market share based on fiscal 2022)

### Global presence

UIL has a global presence, supplying to all 10 leading global OHVs in agriculture and half of the leading 10 players in the construction, forestry and mining (CFM) segment (outside China).

### Revenues through multiple delivery channels

The Company's FY2022-23 finished goods sales comprised, 27.1% local deliveries, 28.9% direct exports and 44.0% warehouse sales (through a global delivery service model facilitating multiple delivery options).

### Enduring relationships

Uniparts enjoys enduring relationships with major global customers in the agriculture and CFM sectors. Four of UIL's top five customers, accounting for a significant portion of its revenue, have been with the Company for over 10 years.

### Taking risk out of global supply chain

The Company's dual-shore capabilities as well as strategically located warehousing centres, enable it to manufacture products at different locations and provide customers with regular supply and competitive manufacturing operations from alternative locations. Safety stocks at warehouses mitigate the supply chain risks.

### Engineering driven vertically integrated precision solution provider

Uniparts is an engineering-driven, vertically integrated OHV



solutions supplier. The firm provides complete concept-to-supply solutions, which include 3PL and PMP products, as well as PTO, fabrications and hydraulic cylinders.

### Experienced promoters and qualified senior management team

Our management team has several decades of experience in the OHV industry and is located across key end markets like United States, India and Germany.

### Company's financial performance

During the year under review, the Company clocked total revenue of ₹1,382.24 crore compared to ₹1,231.04 crore in the previous year, a growth of 12.3%. The Company generated a net profit of ₹204.9 crore, as opposed to a net profit of ₹168.8 crore in the previous year.

Operating cash flow generation for FY2022-23 was at ₹252.75 crore, the highest ever in the history of the

Company. This is a result of strong PAT as well as an improved working capital performance. As a result, the Uniparts Balance Sheet was net debt free at the end of FY2022-23.

Commodity prices (i.e. steel) have come off historical highs and continue to be range-bound. Ocean freight prices have come down significantly from the historical highs of late FY2021-22 and early FY2022-23 and are currently nearly back to the pre-covid levels. The upward pressure on operating costs could continue in the medium-term

to be partially mitigated through operating efficiencies.

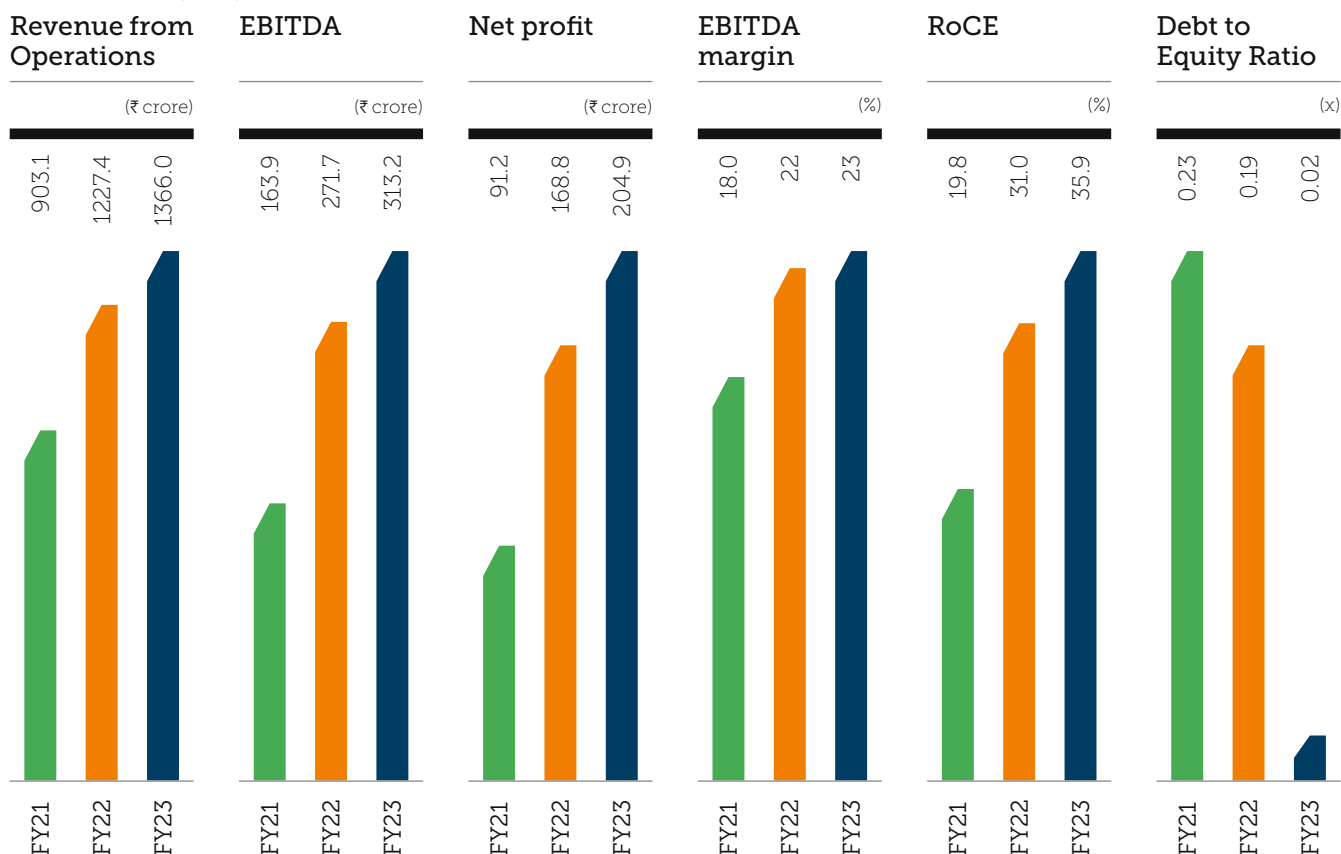
### Product-wise revenues

3-PL: 55.8% in FY2022-23

PMP: 40.6% in FY2022-23

Adjacent products and others (including PTO applications, hydraulics and fabrications): 3.5% in FY2022-23

### Financial highlights



Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Revenue from operations (₹ crore)	1,366.02	1,227.42
EBITDA (₹ crore)	313.23	271.7
EBITDA Margin %	22.9%	22.1%
Profit After Tax (₹ crore)	204.9	168.8
Profit After Tax Margin %	15%	13.8%
Return on Capital Employed %	35.9%	31%
Cashflow from Operations (₹ crore)	252.75	84.9

### Internal control systems and adequacy

Uniparts India Limited has established an internal control system to ensure the adequacy and effectiveness of its internal controls. The Company's internal control system includes policies, procedures and processes designed to safeguard assets, prevent and detect fraud and ensure the accuracy and completeness of financial reporting. The internal control system is overseen by the Audit Committee of the Board of Directors, which reviews the adequacy and effectiveness of the system on an ongoing basis. In addition, the Company's internal auditors conduct periodic audits of the internal control system and report their findings to the audit committee. Uniparts India Limited believes that its internal control system is adequate to manage the risks inherent in its business operations and to ensure the reliability of its financial reporting.

### Human resources

Uniparts India Limited recognises that its employees are its most valuable asset and is committed to creating a culture that attracts, develops and retains top talent. The Company provides a range of employee benefits, including health insurance, retirement benefits and training and development opportunities to support employee growth and career progression. The Company also has a performance management system in place to evaluate employee performance and provide feedback and coaching to help employees improve. Uniparts India Limited believes in promoting a diverse and inclusive workplace and has policies and practices in place to ensure equal opportunities for all employees regardless of their gender, ethnicity, or background.

### Cautionary statement

Statements in the Management Discussion and Analysis and elsewhere in this Annual Report describing the Company's objectives, projections, estimates, expectations, or predictions, views on the end industry and world economy in general may be forward-looking statements within the meaning of applicable securities laws and regulations. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# BOARD'S REPORT

## Dear Members,

Your Directors have the pleasure in presenting the 29th Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2023.

## 1. Financial Results

The financial performance of your Company for the Financial Year March 31, 2023 is summarized below: -

(Rs. in Million)

PARTICULARS	STANDALONE		CONSOLIDATED	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Turnover	9,292.36	8,826.25	13,660.21	12,274.24
Other Income	483.22	325.23	162.23	36.15
Profit/(Loss) Before Finance Charges, Tax, Depreciation (PBITDA)	2,143.12	1,773.68	3,132.33	2,716.63
Less: Finance Charges	31.84	33.84	59.73	56.99
Profit Before Depreciation and Amortization expenses (PBTDA)	2,111.28	1,739.84	3,072.60	2,659.64
Less: Depreciation	260.53	250.15	390.28	366.48
Profit Before Tax (PBT)	1,850.75	1,489.69	2,682.32	2,293.16
Provision for Taxation	355.50	277.05	633.39	605.36
Profit/(Loss) After Tax (PAT)	1,495.25	1,212.64	2,048.93	1,687.80
Other Comprehensive Income	(15.63)	(14.55)	(111.13)	(33.97)
Total Comprehensive Income for the year	1,479.62	1,198.09	1,937.80	1,653.83
Earning Per Share (in Rs.) (Basic)	33.81	27.43	46.32	38.17
Earning Per Share (in Rs.) (Diluted)	33.13	26.87	45.40	37.40

## 2. Financial Statements

The Standalone and Consolidated Financial Statements of your Company for the Financial Year ended March 31, 2023, are prepared in compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), Indian Accounting Standards ("Ind AS") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the "Listing Regulations"].

## 3. Operational Highlights

On consolidated basis for the financial year 2022-23, your Company achieved total revenue from operations of INR 13,660.21 million as compared to the revenue of INR 12,274.24 million of the previous financial year ended 2021-22, from continuing operations. The profit after tax for the financial year 2022-23, is INR 2,048.93 million as compared to the previous financial year 2021-22, the profit after tax of INR 1,687.80 million.

On standalone basis for the financial year 2022-23, your Company achieved total revenue from operations of INR 9,292.36 million as compared to its total revenue of INR 8,826.25 million of the previous financial year 2021-22 from continuing operations. The profit after tax for the year 2022-23, is INR 1,495.25 million as compared to INR 1,212.64 million of the previous financial year 2021-22.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report. The Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations is presented in a separate section forming part of the Annual Report.

## 4. Transfer to Reserve

The Board of Directors of the Company has not transferred any amount to the Reserves for the year under review.





## 5. Dividend

During the financial year 2022-23, the Board of Directors has declared an interim dividend of Rs. 8.25/- per equity share (i.e.,82.50%) and a second interim dividend of Rs. 6.00/- per equity share (i.e.,60%) in its meeting dated February 14, 2023 and May 25, 2023, respectively.

The Board has decided not to recommend a final dividend for the financial year 2022-23. The dividend payout has been determined in accordance with the Dividend Distribution Policy of the Company. Pursuant to Regulation 43A of the Listing Regulations, the Company had adopted the Dividend Distribution Policy which is available on the Company's website at: [https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies)

## 6. Material Development During the Year

### Initial Public Offer ("IPO")

The Company has made its public offer of Equity Shares during the quarter ended December 31, 2022, in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, wherein 1,44,81,942 Equity Shares were offered under offer for sale by certain shareholders of the Company.

The public issue was opened on November 29, 2022, for Anchor Investors and for other categories, opened on November 30, 2022 and closed on December 2, 2022, at an offer price of Rs. 577/- per Equity Share. The Company's IPO received an overwhelming response and was oversubscribed by 67.14 times under QIB category, 17.86 times under non-Institutional category, 4.63 times under retail category and 25.32 times under overall categories, reflecting a huge investor appetite for the issue. The Equity Shares were allotted on December 07, 2022, at an offer price of Rs. 577 per Equity Share to the successful applicants. The Equity Shares of the Company were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred to as "Stock Exchanges") on December 12, 2022.

We are gratified and humbled by the faith shown in the Company by the market participants. We are also grateful to our customers for their trust shown in our capabilities to consistently deliver high-quality services.

### Voluntary Liquidation of a Subsidiary

Uniparts Europe B.V ("UEBV") was incorporated on January 22, 2007, as subsidiary of the Company, under the laws of Netherlands. With effect from October 12, 2022, UEBV was liquidated and de-

registered and is therefore, no longer a Subsidiary of our Company.

## 7. Material Changes and Commitments affecting the Financial Position of the Company

There are no adverse material changes or commitments occurred after March 31, 2023, which may affect the financial position of the Company or may require disclosure.

## 8. Share Capital

As on March 31, 2023, the authorised share capital of the Company stood at Rs. 60,00,00,000/- divided into 6,00,00,000 equity shares of Rs. 10/- each and the paid-up share capital of the Company stood at Rs. 45,13,37,580/- divided into 4,51,33,758 equity shares of Rs. 10/- each. During the year under review, the Company has not issued shares with the differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2023, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

## 9. Uniparts Employee Stock Option Plan, 2007

Your Company has an Employee Stock Option Plan viz. Uniparts Employee Stock Option Plan 2007 ("ESOP Plan 2007") . Further, to align ESOP Plan 2007 with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Board of Directors (as recommended by the Nomination and Remuneration Committee) in their meeting held on March 22, 2022 approved to amend and ratify the ESOP Plan 2007 which was approved by shareholders at the Extra-Ordinary General Meeting of the Company which was held on April 23, 2022. During the financial year 2022-23 including after listing of the Company, the Board/Nomination and Remuneration Committee has not granted any option(s). The relevant information related to ESOP has been given in financials of the Company. Relevant disclosures pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are attached to this report as "ANNEXURE A".

## 10. Credit Rating

The present credit rating of the Company is as under:

Rating Agency	ICRA Limited
Long Term Rating	ICRA AA minus
Short Term Rating	ICRA A1 plus

## 11. Subsidiaries, Joint Ventures and Associate Companies

During the year under review and till the date of this report, no company has become or ceased to be a subsidiary, joint venture or associate of the Company except voluntary liquidation of Uniparts Europe B.V.

A statement providing details of performance and salient features of the financial statements of Subsidiary companies, as per Section 129(3) of the Act, is attached to the financial statements of the Company.

The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto is put up on the Company's website and can be accessed at [https://www.unipartsgroup.com/home/annual\\_report](https://www.unipartsgroup.com/home/annual_report) The financial statements of the subsidiaries, as required, are put up on the Company's website and can be accessed at [https://www.unipartsgroup.com/home/subsidiary\\_company\\_report](https://www.unipartsgroup.com/home/subsidiary_company_report). The Company has formulated a policy for determining Material Subsidiaries and the same is placed on the Company's website at the link: <https://www.unipartsgroup.com/home/disclosures-regulation-sebi-regulations2>

## 12. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Particulars of loans, guarantees and investments covered under Section 186 of the Act, forms part of notes to the financial statements provided in this Annual Report.

## 13. Particulars of Contracts or Arrangements with Related Parties

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported 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.

Members may refer Note no. 40 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS/applicable accounting standards.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is put up on the Company's website and can be accessed at [https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies)

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

## 14. Internal Financial Controls

Your Company has in place adequate internal financial controls, with reference to financial statements, commensurate with size, scale and complexity of its operations. An extensive risk-based program of internal audits and management reviews provides assurance to the Board regarding the adequacy and efficacy of internal controls. The internal audit plan is also aligned to the business objectives of the Company, which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

## 15. Risk Management

The Company has a strong risk management framework comprising of risk governance structure and defined risk management processes. The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## 16. Corporate Social Responsibility (CSR)

The CSR policy, formulated by the Corporate Social Responsibility ("CSR") Committee and approved by the Board, continues unchanged. The policy can be accessed at [https://www.unipartsgroup.com/home/corporate\\_social\\_responsibility\\_csr](https://www.unipartsgroup.com/home/corporate_social_responsibility_csr)

In terms of the CSR Policy, the focus areas of engagement shall be affordable healthcare solutions, access to quality education, promotion of sports, community developments, rural transformation,

environmental sustainability and other need based initiatives.

The annual report on CSR activities is annexed herewith and marked as "ANNEXURE B" to this Report.

## 17. Secretarial Standards

The Company is in compliance with all the applicable Secretarial Standards issued by the Instituted of Company Secretary of India.

## 18. Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Paramjit Singh Soni (DIN: 00011616), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board of Directors has recommended his re-appointment.

Mr. Harjit Singh Bhatia (DIN: 02285424), Nominee Director of Ashoka Investment Holdings Limited and Ambadevi Mauritius Holding Limited ("Investors"), resigned from Directorship on December 14, 2022, pursuant to disposal of entire holding by investors under Initial Public Offering of the Company.

Mr. Munish Sapra resigned as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. February 14, 2023, and the Board of Directors of the Company appointed Mr. Rohit Maheshwari as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. March 01, 2023.

Save and except the above, there was no other change in Directors and Key Managerial Personnel of the Company.

### Declaration by Independent Directors

The Board of Directors has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed both under sub-section (6) of Section 149 read with Schedule IV of the Act and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations. The Board is of the opinion that they are the persons of integrity and possesses relevant expertise and experience.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors, Committee(s) and meeting of the Independent Directors. The details of remuneration and/ or other benefits of

the Independent Directors are mentioned in the Corporate Governance Report.

## Policy on Appointment and Remuneration

The Company has devised Nomination and Remuneration Policy which sets out the guiding principles for the Nomination and Remuneration Committee for-

1. Selection of Directors and determining Directors' independence;
2. Appointment of the Senior Managerial Personnel; and
3. Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees.

The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations.

The aforesaid policy is put up on the Company's website at [https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies)

## 19. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, Directors confirm that:

- a. in preparation of the annual accounts for the financial year ended March 31, 2023, the applicable Accounting Standards have been followed and there was no material departures;
- b. they have 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 as on March 31, 2023, and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable



laws and that such systems were adequate and operating effectively.

## 20. Corporate Governance

The Company is committed to maintaining the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the SEBI.

The detailed Corporate Governance Report of the Company in pursuance of the Listing Regulations forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached to the Corporate Governance Report.

## 21. Business Responsibility and Sustainability Report

In accordance with the Listing Regulations, we have provided the Business Responsibility and Sustainability Report (BRSR) as a part of this Annual Report describing the initiatives undertaken by the Company from an environmental, social and governance perspective during the year under review.

## 22. Performance Evaluation

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors.

In accordance with the manner specified by the Nomination and Remuneration Committee, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The Independent Directors carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

## 23. Auditors and Auditors' Report

### A. Statutory Auditors

M/s. S.C. Varma & Co., Chartered Accountants (Firm Registration Number 000533N), were appointed as Auditors of the Company for a term of 5 (five) years, i.e., commencing from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting

of the Company. They have confirmed their eligibility and qualifications required under the Act for holding office as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

### B. Secretarial Auditor

The Board of Directors of the Company had appointed M/s. Sanjay Grover and Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report of the Company and Gripwel Fasteners Private Limited, a material subsidiary company, for the financial year ended March 31, 2023, are annexed herewith marked as "ANNEXURE C" to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### C. Cost Auditor

The Board of Directors of the Company has appointed M/s. Vijender Sharma & Co., Cost Accountants (Firm Registration no. 00180) to conduct Cost Audit of the Company for the financial year 2022-23 under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

## 24. Board and its Committees

### A. Meetings of the Board

During the financial year 2022-23, nine meetings of the Board of Directors were held. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report.

### B. Audit Committee

During the financial year 2022-23, five meetings of the Audit Committee were held. The Audit Committee of the Company comprises Mr. Sharat Krishan Mathur, Non-Executive Independent Director (Chairman), Mr. Alok Nagory, Non-Executive Independent Director and Mr. Gurdeep Soni, Chairman and Managing Director, as members. During the year, all the recommendations made by the Audit Committee were accepted by the Board. The particulars of the meetings held and attended by each Member are detailed in the Corporate Governance Report.

### C. Corporate Social Responsibility Committee

During the financial year 2022-23, one meeting of the Corporate Social Responsibility Committee was held. The Corporate Social Responsibility Committee comprises Mr. Gurdeep Soni, Chairman & Managing Director (Chairman), Mr. Sharat Krishan Mathur, Non-Executive Independent Director and Mr. Paramjit Singh Soni, Vice Chairman and Executive Director, as members. The particulars of the meetings held and attended by each Member are detailed in the Corporate Governance Report.

### D. Nomination and Remuneration Committee

During the financial year 2022-23, three meetings of the Nomination and Remuneration Committee were held. The Nomination and Remuneration Committee of the Company comprises Mr. Alok Nagory, Non-Executive Independent Director (Chairman), Mr. Sharat Krishan Mathur, Non-Executive Independent Director, Ms. Shradha Suri, Non-Executive Independent Director and Mr. Gurdeep Soni, Chairman & Managing Director, as members. The particulars of the meetings held and attended by each Member are detailed in the Corporate Governance Report.

### E. Stakeholders' Relationship Committee

During the financial year 2022-23, one meeting of the Stakeholders Relationship Committee was held. The Stakeholders' Relationship Committee comprises Mr. Sharat Krishan Mathur, Non-Executive Independent Director (Chairman), Mr. Sanjeev Kumar Chanana, Non-Executive Independent Director and Mr. Paramjit Singh Soni, Vice Chairman and Executive Director, as members. The particulars of the meetings held and attended by each Member are detailed in the Corporate Governance Report.

### F. Risk Management Committee

During the financial year 2022-23, two meetings of the Risk Management Committee were held. The Risk Management Committee comprises Mr. Herbert Coenen, Non-Executive Director (Chairman), Mr. Sharat Krishan Mathur, Non-Executive Independent Director, Mr. Gurdeep Soni, Chairman & Managing Director, Mr. Sudhakar Kolli, Group Chief Executive Officer and Mr. Rohit Maheshwari, Group Chief Financial Officer, as members. The particulars of the meetings held and attended by each Member are detailed in the Corporate Governance Report.

The details of the composition, dates of meetings, attendance and terms of reference of each of the Committees are disclosed in the Corporate

Governance Report, which forms part of this report.

## 25. Vigil Mechanism

Pursuant to the provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations and in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same has been hosted on the website of the Company.

Over the years, the Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behavior. The mechanism under the Policy has been appropriately communicated within the organization. This Policy inter-alia provides a direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Company reached out to employees through physical / virtual sessions with an aim for creating greater awareness on this subject. The Whistle Blower Policy of the Company has been displayed on the Company's website at the link: <https://www.unipartsgroup.com/home/disclosures-regulation-sebi-regulations2>

## 26. Prevention of Sexual Harassment at Workplace

The Company 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 (POSH Act) and the Rules thereunder.

All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy.

The Company has constituted Internal Complaints Committee under the POSH Act and during the year under review, no complaints were received by the Committee.

## 27. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 are appended as "ANNEXURE D" to this report.

## 28. Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return is put up on the Company's website and can be accessed at [https://www.unipartsgroup.com/home/annual\\_return](https://www.unipartsgroup.com/home/annual_return)

## 29. Particulars of Employees and related disclosures

In terms of provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

In terms of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such particulars may write to the Company on email id [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com).

## 30. General

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability on these items during the year under review:

- i) Details relating to deposits covered under Chapter V of the Act.
- ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme except Employees' Stock Option Plan referred to in this report;
- iv) The Company does not have any scheme of provision of money for the purchase of its own

shares by employees or by trustees for the benefit of employees.

- v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- vi) No fraud has been reported by the Auditors to the Audit Committee or the Board.
- vii) There has been no change in the nature of business of the Company.
- viii) There is no application made / proceeding pending under the Insolvency and Bankruptcy Code, 2016
- ix) There was no instance of one-time settlement with any Bank or Financial Institution.

## 31. Acknowledgement

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, business partners, customers, vendors and members during the year under review. The Board of Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

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

Sd/-

**Gurdeep Soni**

**Chairman & Managing Director**

**DIN: 00011478**

Date: May 25, 2023

Place: Noida, Uttar Pradesh



## ANNEXURE A

### Disclosure pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as at March 31, 2023

The Company has one Employee Stock Option Plan viz. Uniparts Employee Stock Option Plan 2007 ("ESOP Plan 2007"). All the relevant details of this plan are provided below and are also available on website of the Company.

1. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

Please refer Note No. 35 of Notes to the Standalone Financial Statement forming part of the Annual Report.

2. Diluted EPS on issue of shares pursuant to the Plan covered under the Regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind AS)-33 Earnings Per Share' issued by the Central Government or any other relevant accounting standards as issued from time to time:

Fully diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Ind AS-33 'Earnings Per Share'	EPS has been disclosed in Note No. 30 of the Standalone Financial Statement
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Details related to ESOP Plan 2007

S.No.	Particulars	Information
(i)	(a) Date of Shareholders Approval	The Shareholders approved ESOP Plan 2007 on February 02, 2007 which was last amended by the Shareholders of the Company on 23rd April, 2022
	(b) Total No. of options approved	1,039,200

S.No.	Particulars	Information
(c)	Vesting requirements	<p>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.</p> <p>Period within which options will vest to the participants</p> <p>Grant-1 to Grant-10 and Grant-12, Grant-13, Grant- 15 and Grant- 16</p> <p>2 years from the date of Grant of Options 33%</p> <p>3 years from the date of Grant of Options 33%</p> <p>4 years from the date of Grant of Options 34%</p> <p>Grant-11 &amp; Grant-14</p> <p>12 months from the date of Grant of Options 100%</p>
(d)	Exercise Price or Pricing formula	Pricing formula: Black Scholes Option Valuation Model has been used for determining the fair value of an option granted under ESOP scheme.
(e)	Maximum term of options granted	15 years from the date of grant of options which may be extended with applicable approvals.
(f)	Source of shares (primary, secondary or combination)	Trust Route- The shares equivalent to granted options are allotted to Uniparts ESOP Trust ("Trust") which are transferred to eligible employees as and when the options are exercised by them
(g)	Variation in terms of options	None
(ii)	Method used to account for ESOP Plan 2007	Fair Value
(iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company	Not applicable since the Company has used fair value of options for the purposes of recognizing employees compensation cost.
(iv)	Option movement during Financial Year 2022-23	
	Number of options outstanding at the beginning of the year	9,16,002

S.No.	Particulars	Information
	Number of options granted during the year	None
	Number of options forfeited / lapsed during the year	19,941
	Number of options vested during the year	72,000
	Number of options exercised during the year	2,05,828
	Number of shares arising as a result of exercise of options	2,05,828
	Money realized by exercise of options, if scheme is implemented directly by the Company	Rs. 1,08,05,970 realized by Trust pursuant to exercise of options by eligible employees. Subsequently, the amount received by the Company.
	Loan repaid by the Trust during the year from exercise price received	Rs. 1,08,05,970
	Number of options outstanding at the end of the year	6,90,233
	Number of options exercisable at the end of the year	6,34,262
(v)	Weighted-average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Please refer Note No. 35 of Notes to the Standalone Financial Statements forming part of the Annual Report.
(vi)	Employee wise details of options granted during the year to:	
	(a) senior managerial personnel	Nil
	(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
	(c) identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
(vii)	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Please refer Note No. 35 of Notes to the Standalone Financial Statements forming part of the Annual Report.
	(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	
	(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	



## ANNEXURE B

# Annual Report on Corporate Social Responsibility activities for the Financial Year 2022-23

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 Corporate Social Responsibility ("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 [www.unipartsgroup.com](http://www.unipartsgroup.com).

2. The Composition of the CSR Committee.

Sl. 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 (Chairman of the Committee)	1	1
2	Mr. Paramjit Singh Soni	Vice-Chairman and Executive Director (Member)	1	1
3	Mr. Sharat Krishan Mathur	Non-Executive and Independent Director (Member)	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 <https://www.unipartsgroup.com/home/committees>
- 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 and CSR Projects approved by the Board of Directors of the Company are available on our website at [https://www.unipartsgroup.com/home/corporate\\_social\\_responsibility\\_csr](https://www.unipartsgroup.com/home/corporate_social_responsibility_csr)

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. 59,99,85,000

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 1,20,00,000

(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. 1,20,00,000



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. 1,20,00,000	NIL	N.A.	N.A.	N.A.	N.A.

(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)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Location of the project.	Local area (Yes/No).		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.	1) Promoting Education; 2) Skill Development; and 3) Women Empowerment	Clause (i) & (ii)	No	Nahan: Lehi, Burmapapdi: Kandaiwala, Distt. Sirmaur (Himachal Pradesh locations) and Uttarakhand		Rs. 60,00,000	No	Be Kind	CSR00043565
2	1) Promoting Education; 2) Skill Development; 3) Women Empowerment	Clause (i) & (ii)	Yes	Paschim Vihar, Delhi		Rs. 60,00,000	No	Richmond School (through Mata Krishna Wanti Memorial Educational Society)	CSR00006897

(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. 1,20,00,000 /

(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  
Chairman and Managing Director and Chairman-CSR Committee

## ANNEXURE C

### Form No. MR-3

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

### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

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

To,

**The Board Members,**

**Uniparts India Limited**

(CIN: L74899DL1994PLC061753)

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"). 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 records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules, regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and 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, minutes 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 31st March, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;



(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021{Not applicable during the audit period};
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {Not applicable during the audit period};
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018{Not applicable during the audit period}; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. to the extent applicable, as mentioned above.

(vi) The Company is engaged in the manufacturing and supply 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), Visakhapatnam (Andhra Pradesh) and Ludhiana (Punjab). As informed and confirmed by the management, there is no sector

specific law applicable on the Company. On the basis of management representation and our check on test basis, we are on the view that the Company has adequate system to ensure compliance of laws specifically applicable on it.

**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 of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance other than meeting 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. The 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 Company has made Initial Public Offering of 14,481,942 equity shares of face value of ₹10 by way of offer for sale pursuant to Regulation 6(1) of the Issue of Capital and Disclosure Requirements) Regulations, 2018. The equity shares of the Company got listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) on December 12, 2022.

**For Sanjay Grover & Associates**

Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review No.: 1352/2021

**Sd/-**

**Kapil Dev Taneja**

Partner

Date: 25th May, 2023  
Place: New Delhi

CP No.:22944; M No.: F4019  
UDIN: F004019E000382419



## Form No. MR-3

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

### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

To,  
The Board Members,  
**Gripwel Fasteners Private Limited**  
Gripwel House, Block 5 LSC, Sector C 6 & 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 **Gripwel Fasteners Private Limited (CIN: U29214DL2005PTC132107)** (hereinafter called the 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.

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 31st March, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above as applicable.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws specifically applicable to the Company:

- a) The Air (Prevention and Control of Pollution) Act, 1981;

- b) The Water (Prevention Control of Pollution) Act, 1974;
- c) The Environment (Protection) Act, 1986; and
- d) The Petroleum Act, 1934.

#### We further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

#### We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For NKJ & Associates**  
Company Secretaries

**Sd/-**  
**Neelesh Kumar Jain**  
Practicing Company Secretary  
FCS No. : 5593  
C P No. : 5233  
PR No. : 688/2020  
UDIN: F005593E000331336

Place: New Delhi  
Date: 22/05/2023

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report



## Annexure A

To,  
The Members,  
**Gripwel Fasteners Private Limited**  
Gripwel House, Block 5 LSC, Sector C 6 & 7,  
Vasant Kunj, New Delhi -110070

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.

**For NKJ & Associates**  
Company Secretaries

**Sd/-**  
**Neelesh Kumar Jain**  
Practicing Company Secretary  
FCS No. : 5593  
C P No. : 5233  
PR No. : 688/2020  
UDIN: F005593E000331336

Place: New Delhi  
Date: 22/05/2023

## ANNEXURE D

# 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 are as follows:

- Induction Billet heaters installed against the use of furnace oil.
- PID temperature controllers installed on cooling towers.
- Heat insulation of FO pipeline 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 ACs 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.
- Initiated Energy Audit in one of the plants and other shall follow.
- Installed Variable Frequency Drives in air compressors.
- Insulation of furnace to minimize radiation heat loss.

#### (ii) Steps taken for utilizing alternate source 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 through off-site solar power plant for the Noida units
- The Company is in process of evaluating Solar Power plants system in various plants as an Alternate source of energy.

#### (iii) Capital investment on energy conservation equipment

The Company has invested an amount of INR 39.92 Lacs approx. on energy consumption equipment's.

### B Technology Absorption

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

Leveraging our Technologies & Process towards Optimum Resource Utilization through

- a. Automatic Load / Unload of components,
- b. Pneumatic & Hydraulic Clamp / Unclamp of Components on Machines
- c. Auto-Inspection & Offset Correction,
- d. Special Product Lines with Robotic Material Handling, Semi-Automatic Process Controls & Material Movement.
- e. Induction Heating / Tempering

#### (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



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; NA
- (e) the expenditure incurred on Research and Development: Nil

## C Foreign Exchange Earning and Outgo

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

Particulars	Amount (INR in million)
Foreign Exchange Earnings	7,740.02
Foreign Exchange Outgo:	
a. CIF Value of Imports	746.53
b. Others	21.32
Remittance in Foreign Currency on account of Dividend	2.13



# CORPORATE GOVERNANCE REPORT

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE CODE

Our corporate governance reflects our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance and ensure that we gain and retain the trust of our stakeholders at all times.

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth-generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Uniparts India Limited ("Uniparts" or "Company"), it is imperative that Company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

Our corporate governance is a statement of the values we stand by as we conduct our business and engage with our stakeholders.

Our corporate governance is reinforced through the Company's Code of Conduct and Ethics, corporate governance guidelines and committee charters. Our Board and Management processes, audits and internal control systems reflect the corporate governance framework principles.

The Company endeavours to conduct its business and strengthen relationship in a manner that is dignified, distinctive and responsible. The Company adheres to ensure fairness, integrity, transparency, independence, and accountability in dealing with all stakeholders. Therefore, the Company has adopted various code/ policies to carry out its duties in transparent manner and highest governance standards through continuous evaluation and benchmarking. Some of these code/ policies are: -

1. Code of Conduct to Regulate, Monitor and Report Trading by Insiders
2. Code of Fair Disclosure Practices of Unpublished Price Sensitive Information ("UPSI")
3. Code of Conduct for Board Members and Senior Management of the Company
4. Policy for Preservation and Archival of Documents
5. Policy for Determining Material Subsidiaries
6. Policy on Materiality of Related Party Transactions ('RPT')
7. Nomination and Remuneration Policy *inter-alia* on appointment of Directors and Senior Management, evaluation of Directors'

performance, Board diversity and remuneration of Directors, Key Managerial Personnel and other employees of the Company.

8. Terms and conditions for appointment of Independent Directors
9. Corporate Social Responsibility (CSR) Policy
10. Dividend Distribution Policy
11. Whistle Blower Policy
12. Policy on Determination of Materiality of Event/ Information
13. Risk Management Policy
14. Policy on Succession Plan for Directors and Senior Management
15. Policy on Prevention of Sexual Harassment at workplace

### Corporate governance guidelines

Strong corporate governance is the bedrock of our sustained performance and has helped us gain the trust and respect of all our stakeholders. The enhancement of these corporate governance standards, through periodic evaluation and change, is one of the most important aspects of ensuring value creation for our stakeholders. Our corporate governance follows the guidelines established by the Board of the Company. These guidelines provide a structure within which directors and the Management can effectively pursue the Company's objectives for the benefit of its stakeholders. These are framed in conjunction with the Company's Memorandum & Articles of Association, the charters of the committees of the Board and applicable laws / regulations / guidelines, as applicable.

These guidelines ensure that the Board has the necessary authority and processes to review and evaluate our operations as and when required. Further, these allow the Board to make decisions that are independent of the Management. The Board, at its discretion, may change the guidelines periodically to achieve our stated objectives. In addition to these guidelines, the Company actively complies with the relevant global guidelines and standards and corporate governance codes.

### Shareholders' Communications

The Board recognises the importance of two-way communication with shareholders, giving a balanced report of results and progress and responding to questions and issues raised. The website of the Company has information for institutional and retail shareholders alike. Shareholders seeking information related to their shareholding may contact the Company directly or through the Company's



Registrar and Transfer Agents, details of which are available on the Company's website.

## II. BOARD OF DIRECTORS

### Composition of the Board

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and

industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills, including expertise in financial, global business, leadership, information technology, mergers & acquisitions (M&A), board service and governance, sales and marketing, Environmental, Social and Governance (ESG), risk management and cybersecurity and other domains, which will ensure that Uniparts retains its competitive advantage.

The composition of the Board, Category, DIN and shareholding of Directors are as follows:

Sr. No.	Name of Director	Category	Director Identification Number (DIN)	No. of Equity Shares held as on March 31, 2023
1	Mr. Gurdeep Soni	Chairman & Managing Director and Promoter	00011478	89,95,090
2	Mr. Paramjit Singh Soni	Vice Chairman & Executive Director and Promoter	00011616	2,00,000
3	Mr. Herbert Coenen	Non-Executive Director	00916001	Nil
4	Ms. Shradha Suri	Non-Executive Independent Director	00176902	Nil
5	Mr. Sharat Krishan Mathur	Non-Executive Independent Director	01217742	Nil
6	Mr. Alok Nagory	Non-Executive Independent Director	00478140	Nil
7	Mr. Sanjeev Kumar Chanana	Non-Executive Independent Director	00112424	Nil
8	Mr. Harjit Singh Bhatia*	Non-Executive Nominee Director	02285424	Nil

\* resigned from directorship on December 14, 2022.

### Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas etc. are put up on the website of the Company.

### Role of the Board of Directors

The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. Further, the Board is also responsible for:

- Exercising appropriate control to ensure that the Company is managed efficiently to fulfil stakeholders' aspirations and societal expectations.
- Monitoring the effectiveness of the Company's governance practices and making changes as needed.
- Providing strategic guidance to the Company and ensuring effective monitoring of the Management.
- Exercising independent judgment on corporate affairs
- Assigning sufficient non-executive members of the Board to tasks where there is a potential for conflict of interest, to be able to exercise independent judgment.

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures.

### Familiarisation Programmes for Board Members

The Board members are provided with necessary documents viz Company's profile, its mission, vision, Organisation structure, Company's milestone, a brief background of the business of the Company, major policies, periodic presentation are made to the Board on the business and performance, risk management, new business initiatives and organisation strategies, change in the regulatory environment applicable to the corporate sector and to the industry in which it operates.

The details of such familiarisation programmes for Independent Directors are available on the website of the Company.

### Independent Directors

The Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") define an 'independent director' as a person who, including his / her relatives, is or was not a promoter or employee or key managerial personnel of the company or its

subsidiaries. The Independent Director(s), at the first meeting of the Board in which they participate as Director and thereafter at the first meeting of the Board in every financial year(FY), give a declaration that they meet the criteria of independence as provided under the Act and the Listing Regulations.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1) (b) & 25(8) of the Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management. The Independent directors of the Company meet at least once in every FY without the presence of non-independent directors and management personnel. Such meeting enables independent directors to discuss matters pertaining to the Company's affairs and matters mentioned in the Schedule IV of the Act.

### Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an

objective independent judgment and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

### Meeting of Independent Directors

The Company's Independent Directors met one time during the financial year 2022-23 on March 20, 2023. The said meeting was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views as well as matters prescribed under Schedule IV to the Act and the Listing Regulations.

### Code of Conduct

The Board has laid down a code of conduct ('the Code') for all Board Members and Senior Management Personnel of the Company. The Code is posted on the website of the Company ([https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies)). All Board Members and Senior Management personnel of the Company affirm compliance with the Code on an annual basis and the declaration to that effect by Chairman and Managing Director of the Company is given in this report. The Company recognise that sexual harassment violates fundamental rights of gender equality, right to life and liberty and right to work with human dignity as guaranteed by the Constitution of India. The Senior Management have made disclosure to the Board confirming that there is no material, financial and/or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

### Succession Planning

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and to senior management positions. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

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### Key Board Qualifications, Expertise and Attributes

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its' Committees. The Board members are committed to ensure highest standards of corporate governance.

The table below provides the key qualifications, skills, expertise and attributes which are broadly taken into consideration while nominating candidates to serve on the Board:

Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
-----------	---

Leadership	Expended lead Expended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations, with the ability to assess build or buy decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.
Board service and governance	Service on public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Digital/Information Technology	Use of digital/ Information Technology, ability to anticipate technological driven changes & disruption impacting business and appreciation of the need of cyber security and controls across the organisation

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

#### Details of Directors' Qualification

Name of Director	Area of Expertise					
	Financial	Leadership	Merger & Acquisition	Board Service and governance	Sales & Marketing	Digital & IT
Mr. Gurdeep Soni	Y	Y	Y	Y	Y	Y
Mr. Paramjit Singh Soni	Y	Y	Y	Y	Y	Y
Mr. Herbert Coenen	Y	Y	Y	Y	Y	Y
Ms. Shradha Suri	Y	Y	Y	Y	Y	Y
Mr. Sharat Krishan Mathur	Y	Y	---	Y	Y	Y
Mr. Alok Nagory	Y	Y	Y	Y	Y	Y
Mr. Sanjeev Kumar Chanana	Y	Y	---	Y	---	Y

#### Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by peers etc., which is in compliance with applicable laws, regulations and guidelines.

#### Directors' Remuneration

##### a) Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the website of the Company.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the industry practice.

##### b) Remuneration to Executive Directors:

###### Mr. Gurdeep Soni

Mr. Gurdeep Soni was re-appointed as Chairman and Managing Director, for a term of three years from April 1, 2021 till March 31, 2024 by the Shareholders in their meeting dated September 30, 2020. Further, the Shareholders vide resolution dated April 23, 2022, approved his maximum remuneration payable up-to Rs. 50.00 million or 2.5% of the net profits of Company, whichever is higher, calculated in accordance with applicable laws. Within these limits, he shall be entitled to commission/ex-gratia/bonus of 1% of the consolidated profit of the Company. However, during the financial year 2022-23, he hasn't drawn any remuneration from the Company. He is receiving remuneration from a Wholly Owned Subsidiary viz., Gripwel Fasteners Pvt. Ltd. ("GFPL") and will continue to receive remuneration from GFPL.

###### Mr. Paramjit Singh Soni

Mr. Paramjit Singh Soni was re-appointed as our Executive Director by the Shareholders in their meeting September 30, 2020. Further, he was re-appointed for a period of 5 years from



April 1, 2022 to March 31, 2027 and redesignated as Executive Director and Vice Chairman vide Shareholders' resolution dated April 23, 2022. In terms of approval, he will also be entitled to receive remuneration from our Company, for the period between April 1, 2022 and March 31, 2025, provided that the maximum remuneration payable to him shall not exceed Rs. 50.00 million or 2.5% of the net profits of our Company, whichever is higher, calculated in accordance

with applicable law. Within these limits, he shall be entitled to commission/ex-gratia/bonus of 1% of the consolidated profit of the Company. However, during the financial year 2022-23, he hasn't drawn any remuneration from the Company. He is receiving remuneration from a Wholly Owned Subsidiary viz. Uniparts USA Ltd. ("UUL") and will continue to receive remuneration from UUL.

### c) Remuneration to Non-Executive Directors and Independent Directors:

The detail of the compensation paid to the Non-Executive and Independent Directors by our Company during financial year 2022-23 is as follows:

S. No.	Name of the Director	Sitting Fees Paid (Rs. in million)	Commission paid (Rs. in million)	Total compensation (Rs. in million)
1	Ms. Shradha Suri	0.45	NIL	0.45
2	Mr. Sharat Krishan Mathur	0.93	NIL	0.93
3	Mr. Alok Nagory	0.62	NIL	0.62
4	Mr. Sanjeev Kumar Chanana	0.73	NIL	0.73
5	Mr. Harjit Singh Bhatia	NIL	NIL	NIL
6	Mr. Herbert Coenen	NIL	NIL	NIL

The eligible attendees are entitled to receive sitting fees of Rs. 75,000 per meeting for attending Board Meeting and Rs. 25,000 per meeting for attending committee meetings, in terms of Board approval dated March 22, 2022. The travel expenses for attending meetings of the Board or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

Mr. Harjit Singh Bhatia and Mr. Herbert Coenen, Non-Executive Directors have waived their right to receive sitting fees for attending Board/ Committee meetings of the Company. However, Mr. Herbert Coenen is entitled to exercise 4,51,336 stock options which have been vested. Further, he is receiving remuneration from a Wholly Owned Subsidiary viz. Uniparts India GMBH ("UIG") and will continue to receive remuneration from UIG.

#### Relationship between Directors inter-se

Mr. Gurdeep Soni, Chairman and Managing Director and Mr. Paramjit Singh Soni, Vice Chairman and Executive Directors are siblings.

Save and except the above, none of the Directors of the Company are related to each other.

### III. PROCEDURE TO CONDUCT BOARD MEETINGS/ COMMITTEE MEETINGS

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

The Board has constituted six Committees, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Borrowing Committee and is authorized to constitute other functional Committees, from time to time, depending on business needs.

The Company's internal guidelines for Board / Committee meetings facilitate decision-making process at its meetings in an informed and efficient manner.

#### Scheduling and Selection of agenda items for Board and Committee Meetings

Minimum four pre-scheduled Board meetings are held annually. Additional Board meetings are convened to address specific needs of the Company. In case of business exigencies or urgency, resolution(s) are passed by circulation except the resolution(s) which are statutorily required to be passed at the Board / Committee meeting only. Every quarter, the Board notes compliances of all laws applicable to the Company.

The Meetings are generally conducted virtually at the Corporate Office of the Company.

The Company's various business heads / service heads are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion / approval / decision at Board / Committee meetings. Such matters are communicated by them to the Company Secretary in advance so that they are included in the agenda for Board / Committee meetings.

The agenda and notes on agenda are circulated to Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

### Recording Minutes of proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under the Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

The gap between any two consecutive Board Meetings did not exceed 120 days. All the recommendation of Committee(s) of the Board were accepted by the Board. Further, The Annual Operating and Capital Budget(s) are approved by the Board of Directors and

Board spends considerable time in reviewing the actual performance of the Company vis-à-vis the approved budget.

### Availability of Information to Board Members

The Board has unrestricted access to all Company-related information, including that of our employees. At Board meetings, representatives who can provide additional insights into the items being discussed, are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval. Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial statements. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, directors can provide their inputs and suggestions on various strategic and operational matters.

### Number of Board Meetings

Nine Board meetings were held during the financial year, as against the statutory requirement of four meetings. The details of Board meetings held are given below:

No. of Board Meeting	Date	Board Strength	No. of Directors Present
1	April 16, 2022	08	06
2	April 25, 2022	08	08
3	June 22, 2022	08	07
4	September 21, 2022	08	07
5	November 22, 2022	08	06
6	December 03, 2022	08	06
7	February 14, 2023	07	07
8	March 01, 2023	07	06
9	March 31, 2023	07	06

Note – Mr. Harjit Singh Bhatia resigned from directorship on December 14, 2022 and thereafter, the Board strength reduced to 7 Directors.

### Attendance of Directors at Board Meetings & last Annual General Meeting and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various Companies:

Name of the Director	Attendance at meetings during 2022-23		No. of Directorship in listed entities including this listed entity as on 31-03-2023	Category of Directorship and name of the other listed Company(s) as on 31-03-2023	No. of Membership(s) / Chairmanship(s) of Committees in other Company(s) as on 31-03-2023
	Board	AGM			
Mr. Gurdeep Soni	9	Yes	1	NIL	1
Mr. Paramjit Singh Soni	6	No	1	NIL	NIL
Mr. Herbert Coenen	9	No	1	NIL	NIL
Ms. Shradha Suri	6	No	4	1. Subros Limited, Chairperson & Managing Director 2. Asahi India Glass Limited, Independent Director 3. Sona BLW Precision Forgings Limited, Independent Director	3

Name of the Director	Attendance at meetings during 2022-23		No. of Directorship in listed entities including this listed entity as on 31-03-2023	Category of Directorship and name of the other listed Company(s) as on 31-03-2023	No. of Membership(s) / Chairmanship(s) of Committees in other Company(s) as on 31-03-2023
	Board	AGM			
Mr. Sharat Krishan Mathur	8	Yes	1	NIL	1
Mr. Alok Nagory	6	Yes	1	NIL	1
Mr. Sanjeev Kumar Chanana	9	No	1	NIL	1
Mr. Harjit Singh Bhatia	6	Yes	---	---	---

**Notes:**

- (1) The Directorships, held by Directors as mentioned above, do not include directorship(s) in foreign companies, private companies and section 8 companies under the Act.
- (2) In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.
- (3) Video/tele-conferencing facility is offered to facilitate Directors to participate in the meetings.
- (4) The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and the Listing Regulations.

#### IV. GOVERNANCE OF BOARD COMMITTEES

The Board, in consultation with the Nomination and Remuneration Committee, is responsible for assigning and fixing terms of service for committee members. The Chairman of the Board, in consultation with the Company Secretary and the respective committee chairperson, determines the frequency of the committee meetings. The recommendations of the committees are submitted to the Board for approval. During the year, all recommendations of the committees were approved by the Board.

##### Procedure of Committee Meetings

The Company's guidelines relating to Board Meetings are applicable to Committee Meetings of Directors. Each Committee has the authority to engage outside experts, advisors and counsels, to the extent it considers appropriate, to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the next Committee and the subsequent Board Meeting for perusal and noting.

#### i. Audit Committee

##### a) Composition

As on March 31, 2023, the Audit Committee comprises of the following members:

S. No.	Name of Director	Category
1	Mr. Sharat Krishan Mathur	Non-Executive Independent Director - Chairman
2	Mr. Alok Nagory	Non-Executive Independent Director - Member
3	Mr. Gurdeep Soni	Executive Director - Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

##### b) Meetings & Attendance

Five meetings of the Committee were held during the year, as against the statutory requirement of four meetings. The meetings were held on June 22, 2022, September 21, 2022, December 27, 2022, February 14, 2023 and March 1, 2023. The details of attendance of Committee members are given in this Report. The gap between any two consecutive Audit Committee meetings did not exceed 120 days.

##### c) Scope and Terms of Reference of the Committee:

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;

- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Act and the Listing Regulations.

The role of the Audit Committee shall include the following:

1. oversight of financial reporting process and the disclosure of financial information relating to Uniparts India Limited to ensure that the financial statements are correct, sufficient and credible;
2. recommendation to the Board of Directors of the Company for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications/Modified opinion(s) in the draft audit report.
5. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed by the independent directors who are members of the Audit Committee;
 

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the Listing Regulations and/or the applicable Accounting Standards and/or the Act.
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow-up thereon;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;



16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. reviewing the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
21. considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
22. carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Act, the Listing Regulations or any other applicable law, as and when amended from time to time."

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

6. Statement of deviations in terms of the Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the Listing Regulations;
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the Listing Regulations.

#### d) General

Members of the Audit Committee possess requisite qualifications. The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings held quarterly to approve financial statements. The representatives of Statutory Auditors, Executives from Accounts department, Finance department, Corporate Secretarial department and Internal Audit department attend the Audit Committee meetings.

During the year all the recommendations made by the Committee were accepted by the Board.

The Internal Auditor reports directly to the Audit Committee.

The Chairman of the Committee was present at the last Annual General Meeting.

#### ii. Nomination and Remuneration Committee

##### a) Composition

As on March 31, 2023, the Nomination and Remuneration Committee comprises of the following members:

S. No.	Name of Director	Category
1	Mr. Alok Nagory	Non-Executive Independent Director - Chairman
2	Mr. Sharat Krishan Mathur	Non-Executive Independent Director - Member
3	Ms. Shradha Suri	Non-Executive Independent Director - Member
4	Mr. Gurdeep Soni	Executive Director-Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

## b) Meetings & Attendance

Three meetings of the Committee were held during the year, as against the statutory requirement of one meeting. The meetings were held on April 16, 2022, June 22, 2022 and March 01, 2023. The details of attendance of Committee members are given in this Report.

## c) Terms of Reference of the Committee *inter alia* include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Nomination and Remuneration Policy");
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may (a) use the services of external agencies, if required; (b) consider candidates for a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;
3. Formulation of criteria for evaluation of performance of independent directors and the Board;
4. Devising a policy on diversity of the Board;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
8. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee;

9. Performing such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including administering the existing and proposed employee stock option plans formulated by the Company from time to time (the "Plan");
10. framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
  - (c) carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Act, the Listing Regulations or any other applicable law, as and when amended from time to time.

The Chairman of the Committee was present at the last Annual General Meeting.

## iii. Stakeholders Relationship Committee

### a) Composition

As on March 31, 2023, the Stakeholders Relationship Committee comprises of the following members:

S. No.	Name of Director	Category
1	Mr. Sharat Krishan Mathur	Non-Executive Independent Director- Chairman
2	Mr. Sanjeev Kumar Chanana	Non-Executive Independent Director- Member
3	Mr. Paramjit Singh Soni	Executive Director- Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

### b) Meetings & Attendance

One meeting of the Committee was held during the year, as against the statutory requirement of

minimum one meeting. The meeting was held on March 16, 2023. The details of attendance of Committee members are given in this Report.

**c) Terms of Reference of the Committee *inter alia* include the following:**

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by the shareholder;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time; and
6. Carrying out any other functions contained in the Act and/or equity listing agreements (if applicable), as and when amended from time to time.

The Chairman of the Committee was present at the last Annual General Meeting.

**iv. Risk Management Committee**

**a) Composition**

As on March 31, 2023, the Risk Management Committee comprises of the following members:

S. No.	Name of Director/Member	Category
1	Mr. Herbert Coenen	Non-Executive Director - Chairman
2	Mr. Sharat Krishan Mathur	Non-Executive Independent Director-Member
3	Mr. Gurdeep Soni	Executive Director-Member

S. No.	Name of Director/Member	Category
4	Mr. Sudhakar Kolli	Group Chief Operating Officer- Member
5	Mr. Rohit Maheshwari	Group Chief Financial Officer- Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

**b) Meetings & Attendance**

Two meetings of the Committee were held during the year in compliance with Listing Regulations. The meetings were held on February 28, 2023 and March 28, 2023. The details of attendance of Committee members are given in this Report.

**c) Terms of Reference of the Committee *inter alia* include the following:**

1. Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. Keep the Board of Directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any)

7. Coordinate its activities with other committees, in instances where there is any overlap with activities as per the framework laid down by the Board of Directors; and
8. Any other similar or other functions as may be laid down by Board from time to time and/ or as may be required under applicable law, as and when amended from time to time.

#### v. Corporate Social Responsibility Committee

##### a) Composition

As on March 31, 2023, the Corporate Social Responsibility Committee comprises of the following members:

S. No.	Name of Director	Category
1	Mr. Gurdeep Soni	Executive Director - Chairman
2	Mr. Sharat Krishan Mathur	Non-Executive Independent Director - Member
3	Mr. Paramjit Singh Soni	Executive Director - Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

##### b) Meetings & Attendance

One meeting of the Committee was held during the year in compliance with the Act and other applicable laws, if any. The meeting was held on September 21, 2022. The details of attendance of Committee members are given in this Report.

##### c) Terms of Reference of the Committee *inter alia* include the following:

1. Oversight of the development of the Corporate Social Responsibility (CSR) vision, strategy, policies and plan
  - a. Recommend the Board the objective of CSR to generate conducive environment to conduct the business in a socially responsible manner and to carry on business activities in the ethical way with regards to legal obligations and commitments;
  - b. Formulate and recommend to the Board, the corporate social responsibility policy ("CSR Policy");
  - c. Monitor CSR Policy of the Company from time to time and recommend to the Board for modification(s) to the CSR Policy as and when required;
  - d. Formulation and recommendation to the Board an Annual Action Plan (AAP) in pursuance of the CSR Policy which shall

include the items as specified in Rule 5(2) of the Companies (CSR Policy) Rules, 2014;

- e. Recommend to the Board the amount of expenditure to be incurred on various activities in a financial year as per CSR policy and Annual Action Plan;
2. Oversight of the implementation of the CSR vision and strategy
    - a. Establish steps for the effective implementation, maintenance, periodic reviews and improvement in CSR system in the Company;
    - b. Recommend to build CSR capacities of own personnel or of implementing agencies and to take measures to involve the employees in CSR activities of the Company;
    - c. Monitor the implementation of CSR programs undertaken by the Company;
    - d. Recommend the Board modalities and manner for transfer of ownership of capital assets, if created or acquired through CSR spending;
    - e. Develop and suggest the Board, Standard Operating Process (SoP) for manner of execution of any CSR projects and modalities for use of funds, factor risk assessment for any CSR project selected and plan for its management and control;
  3. Oversight of the external communications policies
    - a. Oversee the publication, internally and externally, of corporate responsibility performance and plans using the Company's website, annual report and other such methods of communication as are considered necessary;
    - b. Suggest agencies to have Need Assessment and Impact Assessment of any CSR project of the Company for monitoring the quality and efficacy of CSR projects of the Company;
    - c. Communicating commitments, performances, reports, and other information in timely and legal manner and review the quality of any reporting to external stakeholders concerning CSR matters (to form part of the Annual Report);
  4. Other responsibility
    - a. Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy and CSR activities of the Company;



- b. In carrying out its responsibilities, the Committee shall work and liaise as necessary with all other Board committees, and give due consideration to all relevant laws, rules, regulations and regulatory requirements and guidance applicable to the Company.

#### vi. Borrowing Committee

The Board is authorised to constitute one or more functional committees delegating thereto powers and duties with respect to specific purposes for which such committee has been constituted. Meeting of such committees are held as and when the need arises. Time schedule for holding such functional committees is finalised in consultation with the Committee members.

#### Composition

As on March 31, 2023, the Borrowing Committee comprises of the following members:

S. No.	Name of Director	Category
1	Mr. Gurdeep Soni	Executive Director - Chairman
2	Mr. Sharat Krishan Mathur	Non-Executive Independent Director-Member
3	Mr. Paramjit Singh Soni	Executive Director-Member

Mr. Jatin Mahajan, Company Secretary & Compliance Officer, acts as Secretary to the Committee.

#### vii. IPO Committee

The Committee was constituted to expedite decisions in relation to IPO matters of the Company on December 17, 2021 and concluded after completion of the IPO on December 14, 2022.

#### Meetings of Committees held during the year and Members' Attendance:

Committees of the Company	Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders' Relationship Committee	Borrowing Committee	Risk Management Committee	IPO Committee
Meetings held	5	3	1	1	2	2	6
<b>Members' Attendance</b>							
Mr. Gurdeep Soni	5	1	1	N.A	2	2	6
Mr. Paramjit Singh Soni	N.A	N.A	1	1	0	N.A	2
Mr. Herbert Coenen	N.A	N.A	N.A	N.A	N.A	1	N.A
Ms. Shradha Suri	N.A	0	N.A	N.A	N.A	N.A	N.A
Mr. Sharat Krishan Mathur	5	3	1	1	0	2	N.A
Mr. Alok Nagory	4	2	N.A	N.A	N.A	N.A	N.A
Mr. Sanjeev Kumar Chanana	N.A	N.A	N.A	1	N.A	N.A	N.A
Mr. Harjit Singh Bhatia	2	2	N.A	N.A	2	N.A	6
Mr. Sudhakar Kolli	N.A	N.A	N.A	N.A	N.A	2	N.A
Mr. Rohit Maheshwari	N.A	N.A	N.A	N.A	N.A	1	N.A

N.A - Not a member of the Committee

## V GENERAL BODY MEETINGS

### a. Annual General Meetings

Details of location, date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Year	Location	Date	Day	Time	Details of Special Resolution
2021-22	Through video conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The deemed venue was the Registered Office of the Company	July 28, 2022	Thursday	11:30 a.m.	None
2020-21	Gripwel House, Block-5, Sector C - 6 and 7, Vasant Kunj, New Delhi 110070 (Registered Office of the Company)	September 21, 2021	Tuesday	11:00 a.m.	None
2019-20	Gripwel House, Block-5, Sector C - 6 and 7, Vasant Kunj, New Delhi 110070 (Registered Office of the Company)	September 30, 2020	Wednesday	11:30 a.m.	Amendment of the Uniparts Employee Stock Option Plan 2007 of the Company

## b. Extra Ordinary General Meeting of The Company for the Financial Year 2022-23

Apart from the Annual General Meeting, the following Extra Ordinary General Meeting of the Company was held during the Financial Year 2022-23, and the special resolution(s) passed thereat, are as follows:

Year	Location	Date	Day	Time	Details of Special Resolution passed
2022-23	Through video conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The deemed venue was the Registered Office of the Company	April 23, 2022	Saturday	11:00 a.m.	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Sanjeev Kumar Chanana (DIN:00112424) as Independent Director of the Company</li> <li>2. Adoption of New Articles of Association</li> <li>3. Amendment of the Uniparts Employee Stock Option Plan 2007 of the Company</li> <li>4. Amendment of the Uniparts Employee Stock Option Plan 2007 for issuance of shares to the employees /directors of the subsidiary company(ies)</li> <li>5. Increase in NRI and FPI limit for investment in shares of the Company</li> <li>6. Increase in Borrowing powers of the Company and authorisation limit to secure the borrowings under section 180 (1)(c) and 180(1) (a) of the Act</li> <li>7. Approval for Remuneration payable to Mr. Gurdeep Soni, Chairman and Managing Director in accordance with Section 197 of the Act read with Schedule V of the Act.</li> <li>8. Appointment of Mr. Paramjit Singh Soni as Executive Director of the Company designated as Vice Chairman of the Company.</li> <li>9. Approval for Remuneration payable to Mr. Paramjit Singh Soni as Executive Director designated as Vice Chairman of the Company in accordance with Section 197 of the Act read with Schedule V of the Act.</li> </ol>

## c. Resolution(s) passed through postal ballot:

There was no resolution proposed through Postal Ballot held during the financial year 2022-23.

## VI MEANS OF COMMUNICATION

**Quarterly results:** The Company's quarterly / half-yearly / annual financial results are sent to the Stock Exchanges and published in 'Business Standard'. Simultaneously, they are also available on the website of the Company.

**News releases, presentations:** Official news releases and official media releases, if any, will be sent to Stock Exchanges and will also be available on the website of the Company.

**Presentations to institutional investors / analysts:** Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly/ half-yearly /annual financial results. These presentations are put on the Company's website, as well as sent to the Stock Exchanges. No unpublished

price sensitive information is discussed in meeting / presentation with institutional investors and financial analysts.

**Website:** The Company's website (<https://www.unipartsgroup.com/>) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

**Annual Report:** The Annual Report containing, inter alia, Audited Financial Statement, Audited Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Company's Annual Report is also available in downloadable form on the Company's website.

**NSE Electronic Application Processing System (NEAPS):** NEAPS is a web-based application designed by NSE for corporates. All periodical and other compliance filings are filed electronically on NEAPS.

**BSE Listing Centre (Listing Centre):** BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** Investor complaints are processed at SEBI in a centralised web-based complaints redress system. The salient features of this system are centralised database of all

complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

**Designated exclusive email-IDs:** The Company has designated the following email-IDs exclusively for investor servicing:

- For queries on Annual Report: compliance.officer@unipartsgroup.com
- For queries in respect of shares in physical mode: delhi@linkintime.co.in

## VII GENERAL SHAREHOLDER INFORMATION / DISCLOSURES

### Annual General Meeting

Friday, 15th Day of September, 2023 at 04:30 P.M. (IST) through Video Conference as set out in the Notice convening the Annual General Meeting.

### Dividend Payment Date

The Board has not recommended final dividend for the financial year 2022-23.

### Dividend Payment History for Five Years

Year	Dividend Type	Dividend per share (In Rs.) and %	Amount (In Rs.)	Date of Declaration
2022-23	First Interim Dividend	8.25- 82.50%	37,23,53,504	February 14, 2023
	Second Interim Dividend	6.00- 60.00%	27,08,02,548	May 25, 2023
2021-22	First Interim Dividend	5.60- 56.00%	25,27,49,044	March 01, 2022
	Second Interim Dividend	3.60- 36.00%	16,24,81,528	June 22, 2022
2020-21	Final Dividend	3.30- 33.00%	14,89,41,401	September 21, 2021
2019-20	--	NIL	NIL	--
2018-19	Final Dividend	1.20 - 12.00%	5,41,60,510	July 29, 2019

### Financial Year

April 1 to March 31

### Financial Calendar (Tentative) Results for the Quarter Ending:

**June 30, 2023** – Second week of August 2023

**September 30, 2023** – Second week of November 2023

**December 31, 2023** – Second week of February 2024

**March 31, 2024** – Fourth week of May 2024

**Annual General Meeting** – August/September 2024

### Address for correspondence:

#### a) For shares held in physical form

Link Intime India Private Limited  
Noble Heights, 1st Floor, Plot No. NH 2,  
LSC, C-1 Block, Near Savitri Market,  
Janakpuri, New Delhi-110058  
Tel: +91 11 49411000  
Fax No.: +91 11 41410591  
e-mail: delhi@linkintime.co.in  
Website: www.linkintime.co.in

#### b) For Shares held In Dematerialization Form

Investors' concerned Depository Participant(s) and / or Link Intime India Private Limited

### Compliance Officer

Mr. Jatin Mahajan, Company Secretary, is the Compliance Officers for complying with requirements of Securities Laws.

### Any Query on the Annual Report

Mr. Jatin Mahajan  
Uniparts India Limited  
First Floor, B-208/ A1 & A2, Phase-II,  
Noida- 201305, UP, India  
Ph : +91 120 4581443  
Fax : +91 1204581499  
Email : compliance.officer@unipartsgroup.com

### Registrars and Transfer Agent (RTA)

Link Intime India Private Limited  
Noble Heights, 1st Floor, Plot No. NH 2,  
LSC, C-1 Block, Near Savitri Market,  
Janakpuri, New Delhi-110058  
Tel: +91 11 49411000  
Fax No.: +91 11 41410591  
e-mail: delhi@linkintime.co.in  
Website: www.linkintime.co.in

## Share Transfer System

During the year, Link Intime India Private Limited, RTA of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates.

SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. Accordingly, the Company / it's RTA are not accepting any lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialisation. However, investors are not barred from holding shares in physical form. Transfers in electronic form are much simpler and quicker as the members have to approach their respective depository participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

### Stock Exchanges related Information:

#### a. Listing on Stock Exchanges

Equity Shares – The Company got listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on December 12, 2022.

#### BSE

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai 400 001  
Scrip Code – 543689

#### NSE

Exchange Plaza, C-1, Block G, Bandra-Kurla  
Complex, Bandra (East), Mumbai 400 051  
Trading Symbol – UNIPARTS

#### b. ISIN: INE244O01017

#### c. Payment of Listing Fees

The initial listing fee and annual listing fee for the financial year 2022-23 has been paid by the Company to BSE and NSE. The Annual Custody / Issuer fee has been paid by the Company within the due date based on invoices received from the Depositories.

### Credit Rating

The present credit rating of the Company is as under:

Rating Agency	ICRA Limited
Long Term Rating	ICRA AA minus
Short Term Rating	ICRA A1 plus

### Stock Market Price Data

Month	Company Share Price at NSE (Rs. per share)		Nifty	
	High price	Low price	High price	Low price
Dec-22	593.75	530.05	18696.10	17774.25
Jan-23	585.00	538.65	18251.95	17405.55
Feb-23	612.30	543.00	18134.75	17255.20
Mar-23	572.00	501.15	17799.95	16828.35

Month	Company Share Price at BSE (Rs. per share)		Sensex	
	High price	Low price	High price	Low price
Dec-22	593.95	530.05	62,835.11	59,754.10
Jan-23	585.00	538.20	61,343.96	58,699.20
Feb-23	612.00	542.05	61,682.25	58,795.97
Mar-23	571.50	501.60	60,498.48	57,084.91

(Source: This information is compiled from the data available on the website of the BSE and NSE.)

Note: the data has been extracted from the date of listing of the Company.

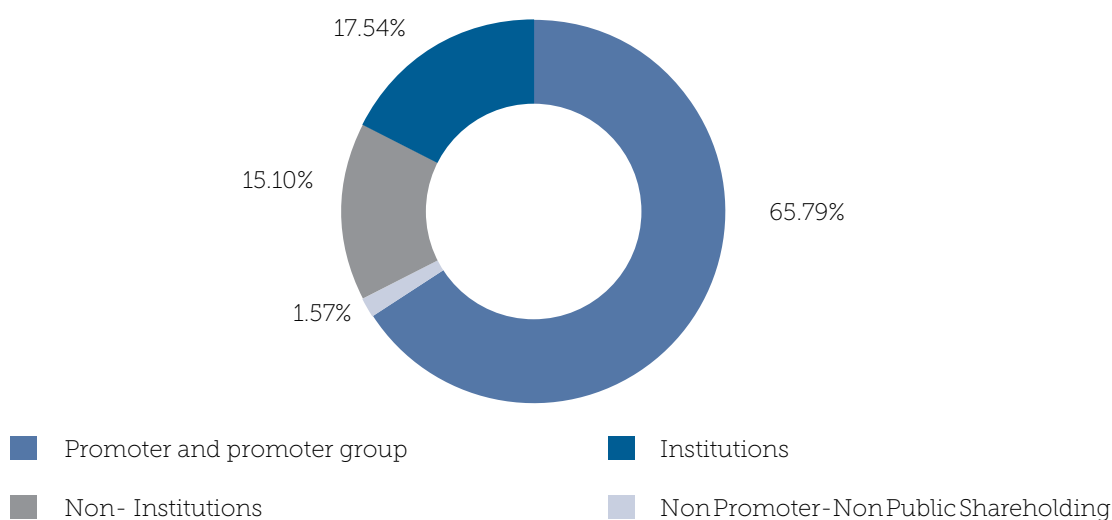


## Shareholding Pattern as on March 31, 2023

S. No.	Category of Shareholders	No. of shareholders	Total number of shares	% of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
1	Indian	6	1,48,98,038	33.01
2	Foreign	4	1,47,95,090	32.78
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>10</b>	<b>2,96,93,128</b>	<b>65.79</b>
<b>(B)</b>	<b>Public Shareholding</b>			
1	Institutions	41	79,14,741	17.54
2	Non-Institutions	98,367	68,15,715	15.10
	<b>Total Public Shareholding</b>	<b>98,408</b>	<b>1,47,30,456</b>	<b>32.64</b>
<b>(C)</b>	<b>Non Promoter-Non Public</b>			
	Shares held by Employees Trust	1	7,10,174	1.57
	<b>Total Non Promoter - Non Public Shareholding</b>	<b>1</b>	<b>7,10,174</b>	<b>1.57</b>
	<b>Total A+B+C</b>	<b>98,419</b>	<b>4,51,33,758</b>	<b>100.00</b>

## CATEGORY-WISE SHAREHOLDING (%)

Graphical Presentation of Shareholding Pattern



## DISTRIBUTION OF SHAREHOLDING BY SIZE AS ON MARCH 31, 2023

Category (Shares)	Number of Shareholders	% to Shareholders	No. of Shares	% of Shares
1-500	97625	98.79	3819172	8.46
501- 1000	592	0.59	440253	0.97
1001- 2000	277	0.28	416543	0.92
2001- 3000	105	0.10	265966	0.58
3001- 4000	50	0.05	176140	0.39
4001- 5000	29	0.02	136659	0.30
5001- 10000	51	0.05	394416	0.87
10001 & Above	90	0.09	39484609	87.48
<b>Total:</b>	<b>98819</b>	<b>100</b>	<b>45133758</b>	<b>100</b>



## Dematerialisation of Shares and Liquidity

Mode of Holding	No. of shares	%
<b>Shares in Demat Form</b>		
NSDL	41801557	92.62
CDSL	3332201	7.38
<b>Shares in Physical Form</b>	NIL	0%
<b>TOTAL</b>	<b>45133758</b>	<b>100%</b>

## Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on Equity

The Company has not issued any ADR/GDR/Warrant and Convertible Instrument during the year under review. There is no outstanding GDR/ADR/Warrant and Convertible Instrument.

## Employee Stock Options Scheme

Please refer Board's Report wherein details of Employees' Stock Options are mentioned.

## Commodity Price Risks / Foreign Exchange Risk and Hedging Activities

The Company doesn't deal in Commodities. Please refer financials of the Company hedging contracts during the year.

## Plants Locations

### Manufacturing plants of the Company

1. B 208, A1 & A2, Phase-II, Noida-201305, Uttar Pradesh, India
2. C-140, Focal Point, Phase-V, Ludhiana - 141010, Punjab, India
3. D-126 & D-127 A, Focal Point, Phase-V, Ludhiana - 141010, Punjab, India
4. Plot No.-E-754, Focal point, Phase-VIII, Ludhiana-141 010, Punjab, India
5. C-197, 198, Phase VII, Focal Point, Ludhiana - 141010, Punjab, India
6. Plot No. 47, APIIC, APSEZ, Atchuthapuram, Pudimadaka Road, Visakhapatnam - 531011, Andhra Pradesh, India

### Manufacturing plants of the Subsidiaries in India

Gripwel Fasteners Private Limited  
142A/30 to 142A/51, NSEZ, Noida – 201305, Uttar Pradesh, India

Gripwel Conag Private Limited  
Plot No : B70 & C262, Phase VIII, Focal Point, Ludhiana – 141010, Punjab, India

### Manufacturing plants of the Subsidiaries outside India

Uniparts Olsen Inc.  
1100 East Le Claire Road, Eldridge, Iowa - 52748, USA

## Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year and their break-up is as under:

Type of Complaints	Received after listing of the Company w.e.f December 12, 2022 till March 31, 2023	Redressed during the financial year 2022-23	Pending as on March 31, 2023
Non-receipt of Refund Order/Application Money	1067	1067	NIL
Non-receipt of credit of shares in Demat Account	02	02	NIL
Miscellaneous/ Non receipt of CAF/dividend	09	09	NIL
<b>Total</b>	<b>1078</b>	<b>1078</b>	<b>NIL</b>

Note- The Company got listed on December 12, 2022.

## Adoption of mandatory and discretionary requirements

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has adopted the following discretionary requirements of the Listing Regulations:

### a. Audit Qualification

The Company is in the regime of unmodified opinions on financial statements.

### b. Reporting of Internal Auditors

The Internal Auditors directly report to the Audit Committee.

## Disclosure on Materially Significant Related Party Transactions that may have Potential Conflict with the Company's Interests at large.

The Company's major related party transactions are generally with its subsidiaries. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries.

All the 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.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on Materiality of Related Party Transactions. The Company has made full disclosure of transactions with the related parties as set out in Note no. 40 of Standalone Financial Statement, forming part of the Annual Report.

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

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website.

## Details of Non-Compliance by the Company, Penalties, Strictures Imposed on the Company by the Stock Exchange or SEBI, or any Statutory Authority, on any matter related to Capital Markets during the last 3 Years

None

## Transfer of Unpaid / Unclaimed Amounts to Investor Education and Protection Fund

The Company got listed on December 12, 2022, accordingly, there is no requirement of transfer of Unpaid / Unclaimed amounts to Investor Education and Protection Fund.

## Equity Shares in the Suspense Account

In terms of Regulation 34(3) and Part F of Schedule V of the Listing Regulations, the Company reports the following details in respect of unclaimed equity shares lying in the demat suspense account which were issued in demat form: -

Particulars	Number of Shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 01, 2022	NA	NA
Number of shareholders and aggregate number of unclaimed shares transferred to the Suspense Account during the year (after the date of listing of the Company on December 12, 2022)	3	75
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	50
Number of shareholders to whom shares were transferred from suspense account during the year	2	50
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	1	25

NA- Not Applicable, as the Company got listed during the year on December 12, 2022

The voting rights on the shares in the suspense account shall remain frozen till the rightful owner claim the shares.

## Whistle-Blower Policy

The Company promotes safe, ethical and compliant conduct of all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are encouraged to report violations of applicable laws and regulations and the Code of Conduct - without fear of any retaliation. The Company has constituted a grievance redressal platform wherein any employee can report or escalate unethical activities which he/she has witnessed or experienced. Employees may also report violations to the Chairman of the Audit Committee and there was no instance of denial of access to the Audit Committee. The Vigil Mechanism and Whistle-blower policy is available on the website of the Company.

## Prevention Of Sexual Harassment of Women at Workplace

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. The Company has complied with the provision relating to the constitution of Internal Complaints Committee(s) and during the year under review, as per the table given below, the Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Please refer the Business Responsibility and Sustainability Report which forms part of the Annual Report for more details.

S. No.	Particulars	Numbers
1	Number of complaints filed during the financial year	0
2	Number of complaints disposed of during the financial year	0
3	Number of complaints pending as on end of the financial year	0

## Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading in the Company's shares and code of practice and procedure for fair disclosure of unpublished price sensitive information.

## Framework for Monitoring Subsidiary Companies

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company has formulated Policy for determining Material Subsidiaries.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Board.
- Presentations are made to the Company's Board on business performance by the senior management on major subsidiaries of the Company.

## Details of Material Subsidiary Company

Gripwel Fasteners Private Limited ("GFPL"), a wholly owned subsidiary, is a material subsidiary of the Company. GFPL is incorporated in New Delhi. M/s S. C. Varma and Co., Chartered Accountants (Firm Registration number 000533N), are Statutory Auditors of the Company. They had been appointed as Statutory Auditors for a period of five years in the 14th Annual General Meeting of GFPL held on 29th July, 2019.

The Company's Policy for determining Material Subsidiaries is available on the website of the Company.

## WEBLINKS FOR THE MATTERS REFERRED IN THIS REPORT ARE AS UNDER

Particulars	Website link
<b>Policies and Code</b>	
Code of Conduct for Board Members and Senior Management of the Company	<a href="https://www.unipartsgroup.com/pdfs/policy-code-conduct.pdf">https://www.unipartsgroup.com/pdfs/policy-code-conduct.pdf</a>
Familiarisation Programme for Independent Directors	<a href="https://www.unipartsgroup.com/pdfs/Familiarisation-Programme-Independent-Directors2.pdf">https://www.unipartsgroup.com/pdfs/Familiarisation-Programme-Independent-Directors2.pdf</a>
Nomination and Remuneration Policy for selection and nomination of Directors, Appointment of the Senior Managerial Personnel and Remuneration of Directors, Key Managerial Personnel and other employees of the Company	<a href="https://www.unipartsgroup.com/pdfs/Criteria-payments-Non-Executive-Directors.pdf">https://www.unipartsgroup.com/pdfs/Criteria-payments-Non-Executive-Directors.pdf</a>
Terms and conditions of appointment of independent directors	<a href="https://www.unipartsgroup.com/pdfs/terms-appointment-directors.pdf">https://www.unipartsgroup.com/pdfs/terms-appointment-directors.pdf</a>



Particulars	Website link
Policy for determining Material Subsidiaries	<a href="https://www.unipartsgroup.com/pdfs/Policy-Determining-Materia-Subsidiaries.pdf">https://www.unipartsgroup.com/pdfs/Policy-Determining-Materia-Subsidiaries.pdf</a>
Policy on Materiality of Related Party Transactions	<a href="https://www.unipartsgroup.com/pdfs/Policy%20-Related-Party-Transactions.pdf">https://www.unipartsgroup.com/pdfs/Policy%20-Related-Party-Transactions.pdf</a>
Policy on Determination and Disclosure of Materiality of Events and Information	<a href="https://www.unipartsgroup.com/pdfs/Policy-determining-materiality-events-information.pdf">https://www.unipartsgroup.com/pdfs/Policy-determining-materiality-events-information.pdf</a>
Vigil Mechanism and Whistle- Blower Policy	<a href="https://www.unipartsgroup.com/pdfs/Vigil-Mechanism-Policy.pdf">https://www.unipartsgroup.com/pdfs/Vigil-Mechanism-Policy.pdf</a>
<b>Reports</b>	
Quarterly, Half-yearly and Annual Financial Results	<a href="https://www.unipartsgroup.com/home/quarterly_financial_results">https://www.unipartsgroup.com/home/quarterly_financial_results</a>
Presentation to institutional investors and analysts	<a href="https://www.unipartsgroup.com/home/quarterly_financial_results">https://www.unipartsgroup.com/home/quarterly_financial_results</a>
Annual Report	<a href="https://www.unipartsgroup.com/home/annual_report">https://www.unipartsgroup.com/home/annual_report</a>
<b>Shareholder Information</b>	
Composition of Board of Directors	<a href="https://www.unipartsgroup.com/home/board_of_directors">https://www.unipartsgroup.com/home/board_of_directors</a>
Profile of Directors	<a href="https://www.unipartsgroup.com/home/management">https://www.unipartsgroup.com/home/management</a>
Composition of various Committees of the Board	<a href="https://www.unipartsgroup.com/home/committees">https://www.unipartsgroup.com/home/committees</a>
Investor Contacts	<a href="https://www.unipartsgroup.com/home/RTA_contact_details">https://www.unipartsgroup.com/home/RTA_contact_details</a>

## COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(b) TO (i) OF LISTING REGULATIONS

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>• Composition and Appointment of Directors</li> <li>• Meetings and quorum</li> <li>• Review of compliance reports</li> <li>• Plans for orderly succession for appointments</li> <li>• Code of Conduct</li> <li>• Fees / compensation to non-executive Directors</li> <li>• Minimum information to be placed before the Board</li> <li>• Compliance Certificate by Chairman and Managing Director and Chief Financial Officer</li> <li>• Risk assessment and risk management plan</li> <li>• Performance evaluation of Independent Directors</li> <li>• Recommendation of Board for each item of special business</li> </ul>
2.	Maximum Number of Directorships	17A	Yes	<ul style="list-style-type: none"> <li>• Directorships in listed entities</li> </ul>
3.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meetings and quorum</li> <li>• Chairperson present at Annual General Meeting</li> <li>• Role of the Committee</li> </ul>



Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
4.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Chairperson present at Annual General Meeting</li> <li>• Meetings and quorum</li> <li>• Role of the Committee</li> </ul>
5.	Stakeholders' Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Chairperson present at Annual General Meeting</li> <li>• Meetings</li> <li>• Role of the Committee</li> </ul>
6.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meetings</li> <li>• Role of the Committee</li> </ul>
7.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Vigil Mechanism for Directors and employees</li> <li>• Adequate safeguards against victimisation</li> <li>• Direct access to Chairperson of Audit Committee</li> </ul>
8.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party transactions and dealing with Related Party Transactions</li> <li>• Prior approval including omnibus approval of Audit Committee for Related Party Transactions</li> <li>• Periodical review of Related Party transactions</li> <li>• Disclosure on Related Party Transactions</li> </ul>
9.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> <li>• Composition of Board of Directors of unlisted material subsidiary</li> <li>• Review of financial statements and investments of subsidiaries by the Audit Committee</li> <li>• Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li> <li>• Significant transactions and arrangements of subsidiaries are placed at the meeting of the Board of Directors</li> </ul>
10.	Secretarial Audit	24A	Yes	<ul style="list-style-type: none"> <li>• Annual Secretarial Audit Report and Annual Secretarial Compliance Report</li> </ul>
11.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• Maximum directorships and tenure</li> <li>• Meetings of Independent Directors</li> <li>• Cessation and appointment of Independent Directors</li> <li>• Familiarisation of Independent Directors</li> <li>• Declaration from Independent Directors that he / she meets the criteria of independence</li> <li>• Directors and Officers insurance for all the Independent Directors</li> </ul>

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
12.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation on compliance of Code of Conduct by Directors and Senior Management</li> <li>Disclosure of shareholding by non-executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> <li>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter</li> </ul>
13.	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance</li> </ul>
14	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>Terms and conditions of appointment of Independent Directors</li> <li>Composition of various Committees of the Board of Directors</li> <li>Code of Conduct of Board of Directors and Senior Management Personnel</li> <li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>Policy on dealing with Related Party Transactions</li> <li>Policy for determining material subsidiaries</li> <li>Details of familiarisation programmes imparted to Independent Directors</li> </ul>

**Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

Not Applicable

**The details of fee paid by the Company and its subsidiaries for the financial year ended March 31, 2023, on a consolidated basis, to the Statutory Auditor of the Company and to all entities in the network firm/network entity of which the Statutory Auditor of the Company is a part, are as follows:**

S.No.	Particulars	Amount
1	Audit Fees of Company and Subsidiaries	40,00,000
2	Certification Fees including IPO work related assignment	50,53,681
3	Total	90,53,681



**Details of Loan and advances in the nature of Loan to firm/ companies in which directors are interested:**

The details of loans and advances in the nature of loan to firms/ companies in which directors are interested form part of the notes to the financial statement.

**CMD and CFO Certification**

The Chairman and Managing Directors (CMD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report. The CMD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

**No Disqualification Certificate from Company Secretary in Practice**

Certificate from M/s. NKJ & Associates, Practising Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

**Compliance Certificate on Corporate Governance**

Certificate from M/s. Sanjay Grover & Associates, Practising Company Secretaries, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

**Certificate on Compliance with Code of Conduct**

I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2022-23.

Date: May 25, 2023  
Place: Noida, Uttar Pradesh

Sd/-  
Gurdeep Soni  
Chairman & Managing Director



## NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V PARA-C CLAUSE 10(i) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,  
The Members,  
**Uniparts India Limited**  
Gripwel House, Block-5 C, Sector 6 7,  
Vasant Kunj, New Delhi -110070 India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Uniparts India Limited having CIN: L74899DL1994PLC061753 and having registered office at Gripwel House, Block-5 C, Sector 6 7, Vasant Kunj, New Delhi-110070 India (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulations 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

S. No.	Name of the Directors	DIN	Date of appointment in the Company
1	Gurdeep Soni	00011478	26/09/1994
2	Paramjit Singh Soni	00011616	26/09/1994
3	Sanjeev Kumar Chanana	00112424	17/02/2022
4	Shradha Suri	00176902	23/08/2014
5	Alok Nagory	00478140	23/08/2014
6	Herbert Klaus Coenen	00916001	12/01/2013
7	Sharat Krishan Mathur	01217742	29/11/2013

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

For **NKJ & Associates**  
Company Secretaries

Sd/-  
**Neelesh Kumar Jain**  
(Proprietor)  
FCS No. : 5593  
C P No. : 5233  
PR No. : 688/2020  
UDIN: F005593E000340730

Place: New Delhi  
Date: May 19, 2023



## CMD & CFO CERTIFICATION

To,  
The Board of Directors  
Uniparts India Limited

- A. We, have reviewed financial statements and the Cash Flow Statement of the Company for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated to the auditors and the Audit Committee that:
- (1) there are no significant changes in internal control over financial reporting during the year;
  - (2) there are no significant changes in accounting policies during the year; and
  - (3) there are no instances of significant fraud of which we have become aware.

For **Uniparts India Limited**

Sd/-  
**Gurdeep Soni**  
Chairman and Managing Director

Date: May 25, 2023  
Place: Noida, Uttar Pradesh

For **Uniparts India Limited**

Sd/-  
**Rohit Maheshwari**  
Group Chief Financial Officer

## CORPORATE GOVERNANCE CERTIFICATE

To  
The Members  
**Uniparts India Limited**  
(CIN: L74899DL1994PLC061753)  
Gripwel House, Block-5, C6 7,  
Vasant Kunj, New - Delhi - 110070

We have examined the compliance of conditions of Corporate Governance by Uniparts India Limited ("the Company"), for the financial year ended on March 31, 2023 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review No.: 1352/2021

Date: May 17, 2023  
Place: New Delhi

Sd/-  
**Kapil Dev Taneja**  
Partner  
CP No.: 22944; M No.: F4019  
UDIN: F004019E000321897



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details

1	Corporate Identity Number (CIN) of the Company	L74899DL1994PLC061753
2	Name of the Company	Uniparts India Limited
3	Year of Incorporation	1994
4	Registered office address	Gripwel House, Block-5, Sector C-6 & 7, Vasant Kunj, New Delhi-110070
5	Corporate office address	First Floor, Plot No. B-208/A1 & A2, Phase-2, Noida, Uttar Pradesh - 201305
6	E-mail id	info@unipartsgroup.com
7	Telephone	+91-11-26137979, +91-120-4581400
8	Website	https://www.unipartsgroup.com/
9	Financial year for which reporting is being done	2022-2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11	Paid-up capital	45,13,37,580
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Jatin Mahajan Legal Head, Company Secretary and Compliance Officer; compliance.officer@unipartsgroup.com; +91-120-4581400 Mr. Vivek Maheshwari Vice President- Investor Relations; vivek.maheshwari@unipartsgroup.com; +91-120-4581400
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are being made on a Standalone Basis.

### II. Products/Services

#### 14. Details of business activities

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover
1	Sales of manufacturing products	Manufacturing of goods	95.07%

#### 15. Products/Services sold by the Entity

S. No.	Product/Service	NIC Code	% Of total turnover contributed
1	Manufacture of other agricultural and forestry machinery	28219	65.41%
2	Manufacture of parts and accessories for machinery/equipment used by construction and mining industries	28246	29.65%

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of offices	Total
National	6	10	16
International	0	0	0



## 17. Markets served by the entity

### A. Number of locations

Location	Number
National (No. of States)	13
International (No. of Countries)	19

### B. What is the contribution of exports as a percentage of the total turnover of the entity?

64.28%

### C. A brief on types of customers

The company primarily operates on a business-to-business (B2B) basis, supplying OEMs (Original Equipment Manufacturers) as tier 1 or tier 2 supplier, as well as organized after-market distributors and retail chains. The company services its customers through a global business model based on dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions. As part of its strategy, the corporation intends to target new customer accounts and expand its existing ones.

## IV. Employees

### 18. Details as on 31st March 2023

#### A. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1	Permanent (D)	561	542	96.61	19	3.39
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	561	542	96.61	19	3.39
<b>WORKERS</b>						
4	Permanent (F)	1254	1249	99.60	5	0.40
5	Other than Permanent (G)	1474	1368	92.81	106	7.19
6	Total Workers (F+G)	2728	2617	95.94	111	4.06

#### B. Differently abled employees

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	6	6	100.00	0	0.00
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	6	6	100.00	0	0.00
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	23	23	100.00	0	0.00
5	Other than Permanent (G)	7	7	100.00	0	0.00
6	Total Workers (F+G)	30	30	100.00	0	0.00

### 19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.29
Key Management Personnel	6*	0	0.00

\* Includes 3 directors



## 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.86%	0.71%	16.58%	12.66%	0.73%	13.39%	10.06%	0.93%	10.99%
Permanent Workers	7.78%	0.00%	7.78%	7.52%	0.00%	7.52%	17.97%	0.00%	17.97%

## V. Holding, subsidiary and associate companies (including joint ventures)

### 21. A. Subsidiary/ Step Down Subsidiary Companies

Sr. No.	Name of the Holding / Subsidiary /Associate Companies/ Joint Ventures(A)	Indicate whether Holding /Subsidiary /Joint Venture	% Of shares held by listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed Entity? (Yes/No)
1	Gripwel Fasteners Private Limited	Subsidiary	100%	Yes
2	Gripwel Conag Private Limited	Subsidiary	100%	Yes
3	Uniparts USA Limited	Subsidiary	100%	Yes
4	Uniparts Olsen Inc.	Subsidiary	100%	Yes
5	Uniparts India GmbH	Subsidiary	100%	Yes

**Note:** Uniparts Olsen Inc. is a wholly owned subsidiary of Uniparts USA Limited.

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: INR 929.23 Crore

(iii) Net worth: INR 498.65 Crore

## VII. Transparency and Disclosures Compliances

### 23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of Complaints Filed during the year	Number of Complaints pending resolution at close of the year	Remarks	Number of Complaints Filed during the year	Number of Complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	0	0	0	
Investors(other than shareholders)	Yes	0	0	0	0	0	
Shareholders	Yes	1078	0	0	0	0	The Company got listed on December 12, 2022.
Employees and workers	Yes	0	0	0	0	0	
Customers	Yes	0	0	0	0	0	
Value Chain Partners	Yes	0	0	0	0	0	
Others (please specify)	No	0	0	0	0	0	

Grievance redressal mechanism in place: Yes

- Whistle Blower Policy: ([https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies))
- Contact Information: ([https://www.unipartsgroup.com/home/RTA\\_contact\\_details](https://www.unipartsgroup.com/home/RTA_contact_details))

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
1	Product Quality and Design	Opportunity	We can reduce the likelihood of product failures, recalls, and waste, thus reducing our environmental footprint. Furthermore, a focus on design can enable us to create products that are more efficient and sustainable. Improved product quality and design can also positively impact the safety and well-being of workers involved in the production process, as well as the end-users of the products. Ultimately, prioritizing product quality and design can help us align our business operations with environmental, social, and governance goals and meet the expectations of stakeholders, including investors, customers, and employees.	Not Applicable	Positive
2	Economic Performance	Opportunity	We can improve our efficiency and profitability, while also reducing our environmental footprint and creating social benefits. A strong financial performance can enable us to invest in sustainable practices, innovation and social programs, ultimately leading to long-term success and stakeholder satisfaction. Moreover, a focus on economic sustainability can help the company attract and retain investors who prioritize ESG considerations.	Not Applicable	Positive

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
3	Occupational Health and Safety	Opportunity	We can reduce accidents, injuries, and absenteeism, resulting in a more productive workforce by focusing on Occupational Health and Safety. Moreover, promoting a culture of safety can enhance employee morale, loyalty, and job satisfaction. By implementing robust health and safety policies we can meet the expectations of stakeholders, including employees, customers, and investors, and ultimately build a strong reputation as a responsible and sustainable business.	Not Applicable	Positive
4	Training and Upskilling of Human Capital	Opportunity	We can improve productivity, innovation, and employee satisfaction, ultimately leading to increased profitability. Moreover, investing in employee development can promote social mobility and reduce income inequality, contributing to the broader economic and social development of the region. By prioritizing employee training and upskilling, we can demonstrate our commitment to responsible and sustainable business practices and meet the expectations of stakeholders, including employees, investors, and customers.	Not Applicable	Positive
5	Risk Management	Opportunity	We can identify and mitigate potential risks, including those related to the environment, society, and governance. A robust risk management strategy can reduce the likelihood of negative incidents, such as legal violations, reputational damage, and environmental disasters. Ultimately, a focus on risk management can help us align our business operations with ESG goals and meet the expectations of stakeholders, including investors, customers, and employees.	Not Applicable	Positive



Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
		Risk	In case we are unable to identify and mitigate risks related to environmental impacts, labour practices, or governance, the same can lead to legal liabilities, reputational damage, and financial losses. Additionally, inadequate risk management can negatively impact employee safety and well-being and harm the surrounding communities. Therefore, failure to prioritize risk management can pose significant ESG risks for the company and its stakeholders.	We review risk management framework and processes regularly. We are also regularly monitoring risk management performance and implementing appropriate controls and processes. Additionally, we prioritize employee training and awareness-raising to ensure that all employees are aware of the potential risks and mitigation measures	Negative
6	Data Security, Privacy, and Cybersecurity	Risk	Inadequate measures to protect sensitive data and information can lead to legal liabilities, reputational damage, and financial losses. Moreover, cyber-attacks can compromise customer data and confidential information, negatively impacting the company's reputation and stakeholder trust. The potential for data breaches and cyber-attacks is increasing, and failure to prioritize data security, privacy, and cybersecurity can result in significant ESG risks for the company and its stakeholders. .	We regularly review and update our data security protocols, provide regular employee training and awareness-raising, and implementing appropriate controls and processes to protect sensitive data and information. We also work with cybersecurity experts to identify potential threats and developed a comprehensive incident response plan. By prioritizing data security, privacy, and cybersecurity, we can reduce the likelihood of data breaches and cyber-attacks, and ultimately build a strong reputation as a responsible and sustainable business.	Negative

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
7	Governance/ Values, Ethics and Compliance	Risk	Failure to uphold ethical standards and comply with regulations can lead to legal liabilities, reputational damage, and financial losses. Additionally, inadequate governance practices can harm stakeholder trust and negatively impact employee morale. By not prioritizing good governance, ethical behavior, and regulatory compliance, we risk damaging our reputation and stakeholder trust. Thus, it is crucial for us to identify and mitigate ESG risks associated with governance, values, ethics, and compliance. .	We have developed and implemented a comprehensive code of conduct that outlines ethical behavior and compliance with regulations. We also have an independent board and committees to ensure transparency and accountability in decision-making. Additionally, we prioritize employee training and awareness-raising on ethics and compliance issues and implement appropriate controls and processes to identify and address potential issues. business.	Negative
8	Water and Waste-Water Management	Opportunity	We can reduce our environmental impact and operational costs, enhance our reputation, and improve stakeholder engagement. Sustainable water management practices can include implementing water-efficient technologies, reducing water usage, and increasing wastewater treatment and recycling. Similarly, sustainable waste management practices can include promoting recycling and reuse, reducing waste generation, and implementing proper waste disposal methods. Prioritizing sustainable water and wastewater management practices presents us with the opportunity to drive long-term value and contribute to sustainable development.	Not Applicable	Positive

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
		Risk	Inadequate management of water resources and wastewater can lead to water scarcity, water pollution, and negative impacts on ecosystems and human health. Moreover, regulatory frameworks and public pressure are increasing to address water-related environmental issues. Failure to manage water resources and wastewater responsibly can lead to legal liabilities, reputational damage, and financial losses. Thus, it is crucial for us to identify and mitigate ESG risks associated with water and wastewater management.	To mitigate the ESG risks associated with water and wastewater management, We have implemented several approaches. This includes implementing water conservation measures, reducing water usage, and increasing wastewater treatment and recycling. We also strive to work with various stakeholders and subject matter experts to identify water-related risks and implement sustainable water management practices.	Negative
9	Employee Benefits and Well-Being	Opportunity	Providing employees with a safe and healthy work environment, as well as access to comprehensive health and wellness programs, can lead to higher levels of employee engagement, productivity, and retention. Additionally, investing in employee benefits and well-being can improve our reputation as a responsible and sustainable employer, leading to increased stakeholder trust and loyalty. By prioritizing employee benefits and well-being, we can enhance our corporate culture, build a strong workforce, and contribute to sustainable development.	Not Applicable	Positive

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
10	Energy Efficiency and Emissions	Opportunity	Implementing energy-efficient technologies and processes, can reduce our energy consumption, lower our carbon footprint, and save on operational costs. Prioritizing emissions reductions can also enhance our reputation as a responsible and sustainable company, driving stakeholder engagement and loyalty. Moreover, adopting sustainable energy practices can help contribute to India's sustainable development goals, and potentially access new markets and funding opportunities. Overall, prioritizing energy efficiency and emissions reductions presents us with a valuable ESG opportunity that can generate long-term value.	Not Applicable	Positive
11	Waste Management	Opportunity	Implementing effective waste management practices can reduce our environmental impact and costs. Prioritizing waste reduction can also enhance our reputation as a responsible and sustainable company, driving stakeholder engagement and loyalty. Additionally, embracing sustainable waste management practices can help us contribute to India's sustainable development goals, and potentially access new markets and funding opportunities. Overall, prioritizing waste management presents a valuable ESG opportunity that can generate long-term value.	Not Applicable	Positive



Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Positive/ Negative Implications
		Risk	Inadequate waste management practices can lead to pollution, harm to ecosystems, and public health risks. Furthermore, regulatory frameworks and public pressure are increasing to address waste-related environmental issues. Failure to manage waste responsibly can lead to legal liabilities, reputational damage, and financial losses. Thus, it is crucial for us to identify and mitigate ESG risks associated with waste management.	We strive to reduce the amount of waste generated, promoting recycling and reuse, and implementing proper waste disposal methods. We also intend to work with suppliers and stakeholders to identify further ways to reduce waste.	Negative
12	Diversity, Equity, and Inclusion	Opportunity	By prioritizing DEI, we can create a more diverse and inclusive workplace that attracts top talent and promotes innovation and creativity. This can enhance employee satisfaction and engagement, driving better performance and productivity. Prioritizing DEI can also enhance our reputation as a responsible and ethical company, driving stakeholder engagement and loyalty.	Not Applicable	Positive
13	CSR/Local Communities	Opportunity	We strive to contribute to sustainable development in the local communities where we operate, promoting social inclusion, economic growth, and environmental sustainability. Our initiatives help to enhance our reputation as a responsible and ethical company, driving stakeholder engagement and loyalty. Additionally, prioritizing CSR can foster positive relationships with local stakeholders, including customers, employees, and regulators, leading to increased business opportunities and a more supportive operating environment.	Not Applicable	Positive



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable

P2 Businesses should provide goods and services in a manner that is sustainable and safe

P3 Businesses should respect and promote the well-being of all employees, including those in their value chains

P4 Businesses should respect the interests of and be responsive towards all its stakeholders

P5 Businesses should respect and promote human rights

P6 Businesses should respect, protect and make efforts to restore the environment

P7 Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8 Businesses should promote inclusive growth and equitable development

P9 Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>									
1. A. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
C. Web Link of the Policies, if available	The applicable policies which have been approved by the Board has been hosted on website of the Company under <a href="https://www.unipartsgroup.com/home/code_of_conduct_policies">https://www.unipartsgroup.com/home/code_of_conduct_policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, some of the policies extended to the value chain Partners as well.								
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO-9001:2015				ISO-14001:2015 and ISO-45001:2018			
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	No specific targets								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	No specific targets								

## GOVERNANCE, LEADERSHIP AND OVERSIGHTS

### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

Over the last nearly 3 decades, Uniparts Group has evolved from being a small company to become a robust, dynamic, and truly global organization, serving customers in over 25 different countries. Uniparts, in this growth trajectory, has become a leading solution provider for systems and components in the global off-highway vehicle

market. As the company has grown, it has also recognized the importance of environmental, social, and governance (ESG) factors in its operations.

Uniparts has developed its business and organization with purpose, keeping all stakeholders' interests in sight and positioning customers first. Uniparts' commitment to ESG is reflected in its efforts to identify and aid underdeveloped areas, particularly those in and around the corporation's factories or units, through its Corporate Social Responsibility (CSR) initiatives. The corporation prioritizes the local area and areas around where the company's operations take place for the allocation of funds earmarked for CSR activities.

In the last two years, as the world was impacted by an unprecedented disruption caused by the global pandemic, Uniparts demonstrated resilience under the most testing conditions in its history, culminating in the safety of its employees first and a robust financial performance. Uniparts' dedication to ESG factors also helped foster a safe and engaging workplace that positively influenced its relationships with each other, with its customers, its suppliers, its investors, and the communities where it lives and works.

Uniparts' Core Values - Passion, Innovation, Integrity, Excellence and Teamwork - guide its actions and decisions. Innovation is one of those Core Values, and Uniparts encourages its employees to think creatively and develop new products and solutions that meet the evolving needs of its customers. Integrity helps foster a workplace that operates with honesty, transparency, and accountability, while Teamwork, Excellence, and Passion are values that Uniparts employees have demonstrated in these last couple of years beyond all expectations.

Uniparts Group is today a result of thousands of minds and hands working together. Its dedicated Uniparts team demonstrates great passion in building this company to serve its customers and that, in turn, serves end consumers and makes their lives easier and safer. With its inspiring past and passion and commitment to hard work, the future looks promising and full of opportunities and Uniparts looks forward to the next chapters in its ongoing journey with excitement.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

The highest authority responsible for implementation and oversight of the Business Responsibility policy (ies) are Mr. Gurdeep Soni, the Chairman & Managing Director and Mr. Jyotbir Singh Sethi, the Country Head – India.

**9. Does the Entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

Yes. The CSR Committee has been empowered, and the senior management conducts regular monitoring of the Company's business responsibility performance. The Board of Directors conducts an annual review of the business responsibility performance, while the senior management oversees the social performance. Additionally, the Risk Management Committee assesses and periodically reviews identified risks.

**10. Details of Review of National Guidelines on Responsible Business Conduct (NGRBC) by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	Business responsibility policies of the Company are reviewed periodically or on a need basis by Senior Management or department heads. They also periodically review/ evaluate the working of the policies of the Company.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable laws that pertain to its operations.																	

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

P1	P2	P3	P4	P5	P6	P7	P8	P9
No	No	No	No	No	No	No	No	No

The policies of the Company are reviewed on a need basis by Directors and Senior Management or department heads. However, no external agency has carried out independent assessment.

**12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The Entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The Entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### Principle 1

#### **BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

##### Essential Indicators

**1. Percentage coverage by training and awareness programs on any of the principles during the financial year**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	9	1) Business Update 2) Board Charter 3) Audit Committee Charter 4) Risk Management Committee Charter 5) Nomination and Remuneration Committee charter 6) Corporate Social Responsibility Committee Charter 7) Stakeholders Relationship Committee charter 8) Code of Conduct	100%
Key Managerial Personnel	7	1) Organizational Core Values 2) POSH Awareness and Training 3) Company CODE OF CONDUCT	100%



Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than BOD and KMPs	25	The essential topics of Integrity, Ethics, Transparency and Accountability are being covered through various training programmes: 1. MDP on - Leadership Essentials for Managerial Effectiveness 2. Supervisory Development Program (SDP) 3. Adaptive Decision-Making Skills 4. Posh Awareness and Training Program 5. Training on Code of Conduct	85%
Workers*	12	Workers are being briefed on the POSH awareness, Transparency, Core Values, Grievance handling process and reporting in case of any issues.	100%

\*Other than permanent workers have not been tracked under this point. Hence, only permanent workers have been considered

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings with regulators/ law enforcement agencies/ judicial institutions in FY 2022-23**

**Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement					
Compounding fee					

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement					
Compounding fee					

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The company has guidelines on anti-corruption and anti-bribery and is committed to upholding the highest moral and ethical standards. The Company does not tolerate bribery or corruption in any form. The code of conduct policy is available on the company's website: [https://www.unipartsgroup.com/home/code\\_of\\_conduct\\_policies](https://www.unipartsgroup.com/home/code_of_conduct_policies).

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of interest of Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of interest of KMPs	0	0	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NIL

## Principle 2

### BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

#### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	N/A	N/A	Our R&D investments are focused on meeting customer requirements and aligned to industry trends. Various types of R&D are driven by our customers who are committed to producing products that have a positive environmental and/ or social impact. We do not have consolidated tracking available specifically for environmental and social impact activities.
Capex	0.07%	0.19%	Energy saving, Emission reduction, water conservation etc

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

No, The Company does not have procedures in place for sustainable sourcing

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

No

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, EPR is not applicable to the entity

### Principle 3

## BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

### Essential Indicators

#### 1. a. Details of measures for the well-being of employees:

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	542	542	100	542	100	0	0.00	542	100	542	100
Female	19	19	100	19	100	19	100	0	0.00	19	100
<b>Total</b>	<b>561</b>	<b>561</b>	<b>100</b>	<b>561</b>	<b>100</b>	<b>19</b>	<b>3.39</b>	<b>542</b>	<b>96.61</b>	<b>561</b>	<b>100</b>
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

#### b. Details of measures for the well-being of workers:

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent worker</b>											
Male	1249	1249	100	1249	100	0	0	1249	100	1249	100
Female	5	5	100	5	100	5	100	0	0.00	5	100
<b>Total</b>	<b>1254</b>	<b>1254</b>	<b>100</b>	<b>1254</b>	<b>100</b>	<b>5</b>	<b>0.40</b>	<b>1249</b>	<b>99.60</b>	<b>1254</b>	<b>100</b>
<b>Other than Permanent worker</b>											
Male	1368	1368	100	1368	100	0	0.00	1368	100	1368	100
Female	106	106	100	106	100	106	100	0	0.00	106	100
<b>Total</b>	<b>1474</b>	<b>1474</b>	<b>100</b>	<b>1474</b>	<b>100</b>	<b>106</b>	<b>7.19</b>	<b>1368</b>	<b>92.81</b>	<b>1474</b>	<b>100</b>

**Note:** All other than permanent workers are covered under Employees States Insurance Corporation scheme and Group Personal Accidental insurance wherever applicable.

#### 2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Others - please specify	0	0	0	0	0	0

#### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We have provided the required support for the accessibility of differently abled employees. We have also taken the initiative to make our workplace better in respect to overall working conditions for differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, we have an "Employment Standard" policy which refers to Equal Opportunity for everyone irrespective of color, caste, creed, race, nationality or ethnic origin, sex, marital status, disability or age. The policy is available at all our premises.

5. Return to work and Retention rates of permanent employees and workers that took parental leave Upto FY 2022-23

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
<b>Permanent Workers</b>	Yes, Uniparts has Employee Grievance Redressal Policy that provides a mechanism for employees to raise and address grievances in which it outlines a defined process that employees can follow to lodge their complaints.
<b>Other than Permanent Workers</b>	Yes, the other than permanent workers are encouraged to approach their respective supervisors to address any grievances.
<b>Permanent Employees</b>	Yes, Uniparts has Employee Grievance Redressal Policy that provides a mechanism for employees to raise and address grievances in which it outlines a defined process that employees can follow to lodge their complaints.
<b>Other than Permanent Employees</b>	No

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union(B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	561	0	0	545	0	0
Male	542	0	0	529	0	0
Female	19	0	0	16	0	0
Total Permanent Workers	1254	0	0	1290	0	0
Male	1249	0	0	1285	0	0
Female	5	0	0	5	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
Male	542	313	57.75	406	74.91	529	231	43.67	355	67.11
Female	19	16	84.21	15	78.95	16	11	68.75	11	68.75
<b>Total</b>	<b>561</b>	<b>329</b>	<b>58.65</b>	<b>421</b>	<b>75.04</b>	<b>545</b>	<b>242</b>	<b>44.40</b>	<b>366</b>	<b>67.16</b>
<b>Workers*</b>										
Male	1249	1249	100.00	1201	95.77	1285	1285	100.00	850	66.15
Female	5	2	40.00	1	20.00	5	1	20.00	1	20.00
<b>Total</b>	<b>1254</b>	<b>1251</b>	<b>99.76</b>	<b>1202</b>	<b>95.47</b>	<b>1290</b>	<b>1286</b>	<b>99.69</b>	<b>851</b>	<b>65.97</b>

\*Other than permanent workers have not been tracked under this point. Hence, only permanent workers have been considered

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
<b>Employees</b>						
Male	542	512	94.46	529	489	92.44
Female	19	17	89.47	16	16	100.00
<b>Total</b>	<b>561</b>	<b>529</b>	<b>94.30</b>	<b>545</b>	<b>505</b>	<b>92.66</b>
<b>Workers*</b>						
Male	1249	1249	100.00	1285	1285	100.00
Female	5	5	100.00	5	5	100.00
<b>Total</b>	<b>1254</b>	<b>1254</b>	<b>100.00</b>	<b>1290</b>	<b>1290</b>	<b>100.00</b>

\*Other than permanent workers have not been tracked under this point. Hence, only permanent workers have been considered.

10. Health and safety management system:

A. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, all the employees are covered under health and safety management system.

B. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Workplace Safety Audit is being conducted on quarterly basis to identify work-related hazards and assess risks on a routine and non-routine basis by the entity.

C. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, Uniparts has installed a suggestion box across all locations within its unit. This practice provides all employees and workers with an opportunity to offer suggestions and feedback, and to contribute to the continuous improvement of the company's operations.

D. Do the Employees/ Worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, our company offers medical and healthcare services for employees and workers that cover non-occupational health concerns.



**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.21	0.32
Total Recordable work - related injuries	Employees	0	0
	Workers	22	25
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company effectively executes requests in identified areas in accordance with the Corrective and Preventive Action (CAPA) process. The Company meticulously implements all recommendations and closes issues and suggestions accordingly. Uniparts implements the CAPA process to mitigate risks and improve processes to prevent the recurrence of similar issues in the future.

- Regular risk assessments
- Incident reporting and investigation
- Training and awareness
- Continuous improvement

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	2	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

**14. Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

There were no such observations and suggestion for corrective actions.

**Principle 4**

**BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Our Company has conducted a materiality assessment that involved the identification and assessment of key stakeholder groups within the organization. We aim to create value for all our stakeholders and maintain continuous engagement with them.

Our analysis has identified the following key stakeholder groups:

- Shareholders: Shareholders are an essential stakeholder group for our company. We keep them informed of our business operations, financial performance, and other important developments.

- Customers: We value our customers and strive to meet their needs and expectations through high-quality products and services. We engage with them to understand their feedback and improve our offerings.
- Employees: Our employees are a vital part of our organization, and we are committed to providing them with a safe and fulfilling work environment. We listen to their feedback and work to address their concerns.
- Community: We recognize the importance of our community and strive to be a responsible corporate citizen. We engage with the community to understand their needs and concerns and work to make a positive impact.
- Suppliers: Our suppliers are an integral part of our supply chain, and we work closely with them to ensure that we meet our business needs while also maintaining ethical practices.

By identifying and engaging with these key stakeholder groups, we can better understand their needs and concerns and work towards creating value for all our stakeholders.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half/ yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during engagement
Employees	No	Internal web portal, employee newsletters, posters and notice boards training and awareness	Weekly, daily	Safety, professional growth of employees, wellbeing
Customers	No	Meetings, events, technology shows, online portals, website	Weekly, daily	Current and future business management, sustainable improvements
Community	No	CSR report, local community engagements via events, meetings, charities, open days	Monthly	Identifying and addressing needs and vulnerabilities if any
Investors/ Shareholders	No	As Needed: E-mail advisories, facility visits, in person meetings, investor conferences, conference calls	Quarterly. Financial statements, earnings call, exchange notifications.	<ul style="list-style-type: none"> <li>• Educating the investor community about company's integrated value creation model and business strategy for the long term.</li> <li>• Helping investors voice their concerns, if any</li> <li>• Understanding shareholder expectations</li> </ul>
Suppliers	No	Meetings, events, online portals, website	Weekly, Daily	Social and governance

## Principle 5

### BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

#### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of Employees / Workers Covered (B)	% (B/A)	Total (C)	No. of Employees / Workers Covered (D)	% (D/C)
<b>Employees</b>						
Permanent	561	544	96.97	545	534	97.98
Other than Permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>561</b>	<b>544</b>	<b>96.97</b>	<b>545</b>	<b>534</b>	<b>97.98</b>
<b>Workers</b>						
Permanent	1254	1234	98.01	1290	1215	94.19
Other than Permanent	1474	1326	89.96	1635	1400	85.63
<b>Total Workers</b>	<b>2728</b>	<b>2560</b>	<b>93.67</b>	<b>2925</b>	<b>2615</b>	<b>89.40</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	542	0	0.00	542	100.00	529	0	0.00	529	100.00
Female	19	0	0	19	100.00	16	0	0.00	16	100.00
<b>Other Than Permanent</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male	1249	0	0.00	1249	100.00	1285	0	0.00	1285	100.00
Female	5	0	0.00	5	100.00	5	0	0.00	5	100.00
<b>Other Than Permanent</b>										
Male	1368	780	57.02	588	42.98	1536	880	57.29	656	42.71
Female	106	98	92.45	8	7.55	99	94	94.95	5	5.05

3. Details of remuneration/salary/wages, in the following format

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BOD)	7	-*	1	-*
Key Managerial Personnel**	3	1,82,00,000	0	0
Employees other than BOD and KMP	542	5,86,000	19	5,00,000
Workers***	1249	2,58,040	5	2,58,040

\*Note: The Non-Executive Independent Directors are being paid sitting fees as per provisions of the Companies Act, 2013. However, Mr. Gurdeep Soni, Chairman and Managing Director, Mr. Paramjit Singh Soni, Vice-Chairman

& Executive Director and Mr. Herbert Coenen, Non-Executive Director has been paid remuneration from wholly owned subsidiaries of the Company.

\*\*KMPs in above table includes – CFO, CS and Group COO up-to March 31, 2023

\*\*\*Other than permanent workers have not been tracked under this point. Hence, permanent workers have been considered.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Uniparts has Employee Grievance Redressal Policy that provides a mechanism for employees to raise and address grievances in which it outlines a defined process that employees can follow to lodge their complaints.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	0	0	NIL	0	0	NIL
Discrimination at workplace	0	0	NIL	0	0	NIL
Child labour	0	0	NIL	0	0	NIL
Wages	0	0	NIL	0	0	NIL
Others - please specify	0	0	NIL	0	0	NIL

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

As per our POSH (Prevention of Sexual Harassment) policy, we maintain strict confidentiality of the complainant's name, and it is our moral responsibility not to disclose the identity of the individual.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes / No)**

Yes.

9. **Assessments for the year:**

	% Of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others - please specify	NIL

10. **Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above.**

NA

## Principle 6

### BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

#### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (in GJ)	1,02,169.47	1,06,490.14
Total fuel consumption (B) (in GJ)	1,15,266.67	1,23,736.95
Energy consumption through other sources (C) (in GJ)	0	0
Total energy consumption (A+B+C) (in GJ)	2,17,436.14	2,30,227.09
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	23399.60 Joules/INR	26084.51 Joules/INR
Energy intensity (optional) - the relevant metric may be selected by the entity	0	0

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	39.23	40.50
(iii) Third party water	103.08	88.37
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	142.31	128.87
Total volume of water consumption (in kilolitres)	142.31	128.87
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000153 Litres/INR	0.0000146 Litres/INR
Water intensity (optional) - the relevant metric may be selected by the entity	0	0

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Uniparts has implemented Zero liquid discharge (ZLD) mechanism at one of its plants out of a total of four plants.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify units	FY 2022-23	FY 2021-22
NOx	mg/Nm <sup>3</sup>	23	19
SOx	mg/Nm <sup>3</sup>	16	75
Particulate matter (PM)	mg/Nm <sup>3</sup>	69	66
Persistent organic pollutants (POP)	-	-	-
Volatile organic Compounds (VOC)	-	-	-
Hazardous air Pollutants (HAP)	-	-	-
Others - please specify	-	-	-



**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & intensity, in the following format:**

Parameter	Please specify units	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MtCO <sub>2</sub> e	7,990.39	8,667.89
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MtCO <sub>2</sub> e	20,150.09	21,002.22
Total Scope 1 and Scope 2 emissions per rupee of turnover	Grams of CO <sub>2</sub> e/ INR	3.03	3.36
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity			

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes. We have replaced our Oil Fired Furnaces with Induction Heaters that are environment friendly and doesn't produce any flue gases and correspondingly upgraded few of our Diesel Gensets with cleaner fuel - PNG Operated Gensets. We optimize utilization of natural lights through Day-Light sheets across our Plants.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	104.56	103.03
E-waste (B)	7.95	0
Bio-medical waste (C)	0	0
Construction and demolition Waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	64.09	69.24
ETP Sludge, Kg	17.22	17.81
Paint & Other Sludge, Kg	41.89	44.74
- Used Oil / Waste Oil / Thinner etc., L	4.98	6.69
Non-Hazardous waste. Please specify, if any. (H) (Break-up by composition i.e.by materials relevant to the sector) (H)	0	0
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>176.6</b>	<b>172.27</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of Waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of Waste</b>		
(i) Incineration	41.89	14.64
(ii) Landfilling	17.22	80.98
(iii) Other disposal operations	0	0
<b>Total</b>	<b>59.11</b>	<b>95.62</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Uniparts has implemented waste management practices to reduce the usage of hazardous and toxic chemicals by following these measures:

**Storage:**

- ETP sludge/paint sludge is filled in leak-proof HDPE (High Density Polyethylene) bags that are labelled and stored in an impervious leachate-proof room.
- Used oil and waste are stored in barrels that are clearly labelled and kept under cover.

**Treatment:**

- ETP sludge and paint sludge are routed through an authorized treatment storage disposal facility. Specifically, ETP sludge is securely landfilled at the TSFD site in adherence to all applicable regulations and standards.
- Waste oil, used oil and waste batteries are periodically sold to CPCB-approved waste recyclers. This approach ensures that these materials are effectively managed and recycled in a safe, responsible, and sustainable manner.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
We don't have operations in ecologically sensitive areas			

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No					

**12. Is the entity should be compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is compliant with the applicable environmental laws/ regulations/ guidelines in India.

Sr. No.	Specify the law/ regulation guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts.	Corrective action taken if any
Not Applicable				

## Principle 7

### BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

#### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

8

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Engineering Export Promotion Council (EEPC)	National
2	Federation of Indian Export Organizations (FIEO)	National
3	Confederation of Indian Industries (CII)	National
4	Export Promotion Council for EOUs & SEZs	National
5	Chamber of Industrial & Commercial Undertakings (CICU)	State
6	Federation of Industrial & Commercial Organization (FICO)	State
7	Ludhiana Management Association	State
8	Entrepreneurs' Collective Association	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL		

## Principle 8

### BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
No SIA projects were undertaken by the entity in the current financial year					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs n the FY (In INR)
NIL						

3. Describe the mechanisms to receive and redress grievances of the community.

Member(s) of community can approach the unit head or HR lead of the respective location

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	49%	48%
Sourced directly from within the district and neighbouring districts	78%	77%

## Principle 9

### BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

#### Essential Indicators

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The company has implemented an effective mechanism for addressing customer complaints. The number of customer complaints against the company for product defects or deficiencies is insignificant in relation to the annual sales volume.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	0%

**3. Number of consumer complaints in respect of the following:**

Category	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	0	0	NIL	0	0	NIL
Advertising	0	0	NIL	0	0	NIL
Cyber-security	0	0	NIL	0	0	NIL
Delivery of Essential Services	0	0	NIL	0	0	NIL
Restrictive Trade Practices	0	0	NIL	0	0	NIL
Unfair Trade Practices	0	0	NIL	0	0	NIL
Other	0	0	NIL	0	0	NIL

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for Recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Uniparts has the required policy as it considers data privacy a critical aspect to ensure customer information safety. However, the policy is not available on company's official site.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There were no complaints and hence this is not applicable

# Independent Auditor's Report

To  
The Board of Directors 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, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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, 2023, 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.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.



## Description of Key Audit Matter

- a. Revenue recognition - See note 2.6 and note 21 to the standalone financial statements

Key Audit Matter	How the matter was addressed in our audit
<p>The Company has revenue from multiple locations geographically spread across India.</p> <p>Revenue is recognised based on the accounting policies disclosed in the note 2.6 to the financial statements.</p> <p>Revenue from the sale of goods is recognized at the moment when significant risks and rewards of ownership of the goods have been passed to the buyer at the time of dispatch of goods from factory/ stockyard/ storage area/ port as the case may be; and is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, claims paid and volume rebates.</p> <p>Revenue is presented net of Goods and Service Tax, wherever applicable. The Company uses a variety of shipment terms with customers across its operating markets which has an impact on the timing of revenue recognition. Given the nature of industry in which the Company operates and given the fact that the Company ascertainment of timing of revenue recognition, is a key audit consideration for sales transactions occurring at or near to the year end.</p> <p>Refer note No. 2.6 and note 21 of the Standalone Financial Statements.</p>	<p>Our audit procedures included but not limited to:</p> <ul style="list-style-type: none"> <li>- We obtained inco-terms and confirmed our understanding of the Company's sales process from initiation to collection of receivables, including design and implementation of controls and tested the operating effectiveness of these controls.</li> <li>-We read and understood the Company's accounting policy for recognition of revenue for each stream as per "Ind AS 115".</li> <li>-We performed transactions testing based on a representative sampling of the sales orders to assess revenue recognition and recognition of trade receivables including transactions occurring at or near the year end.</li> <li>-We performed cut off testing for sales made near the reporting date and tested whether the revenue was recognised in the appropriate period by testing shipping records and sales invoices for sample transactions and tested the management assessment involved in this process, wherever applicable.</li> <li>- Performed reconciliation of revenue with GST returns filed with the Government.</li> </ul>

- b. Trade Receivables - See note 9, note 42, note 43 and note 44 to the standalone financial statements

Key Audit Matter	How the matter was addressed in our audit
<p>Refer to note 9 on trade receivables and note 42 for hedging, note 44 for disclosures on fair value of the trade receivables and note 43 the related risks such as credit risk. The Company's major revenue arises from sales provided to manufacturers of OEM and other customers in domestic and overseas markets including group companies. The trade receivables are typically unsecured. The collectability of trade receivables is a key element of the Company's working capital management. In events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.</p>	<p>Our audit procedures included but not limited to:</p> <p>We assessed the Company's processes and controls relating to the monitoring of trade receivables and considered ageing to identify collection risks. We assessed management's assumptions used to calculate the impairment loss on trade receivables, through analyses of ageing of receivables, assessment of significant overdue trade receivables. We assessed the adequacy of the disclosures on the trade receivables, hedging, disclosures on fair value of the trade receivables and the related risks such as credit risk in note 9, note 42, note 44 and note 43.</p>

## 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.

## Other Matters

The comparative financial information of the Company for the year ended 31st March 2022 included in these Standalone Financial Statements, are based on the previously issued statutory financial statements prepared in accordance 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") audited by previous auditors and their report for the year ended 31st March 2022 dated 22th June, 2022 expressed an unmodified opinion on these Standalone financial statements.

## Our opinion is not modified in respect of these matters.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company 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 32 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.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
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 S.C.Varma and Co.  
Chartered Accountants  
Firm Registration No: 000533N

(S.C. Varma)  
Partner  
M. No.: 011450  
UDIN: 23011450BGTUCP4099

Place: New Delhi  
Date: 25-May-23



## 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 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's 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 31st March, 2023, 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 S.C.Varma and Co.  
Chartered Accountants  
Firm Registration No: 000533N

(S.C. Varma)  
Partner  
M. No.: 011450  
UDIN: 23011450BGTUCP4099

Place: New Delhi  
Date: 25-May-23

## 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, 2023 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 provided guarantee and granted unsecured short term loan to its wholly owned subsidiaries in the nature of loan as per detail given below:

To Subsidiaries

Sl. No.	Nature	Name of subsidiary	Aggregate amount during the year	Balance outstanding as on 31.03.2023
1.	Guarantee	Gripwel Fasteners Pvt Ltd	-	22,50,00,000
2.	Guarantee	Gripwel Conag Pvt Ltd	30,00,00,000	30,00,00,000
3.	Unsecured Term Loan	Gripwel Conag Pvt Ltd	5,25,00,000	1,50,00,000

(b) The terms and conditions of the grant of loan and guarantee in the nature of loans and guarantees provided are not prejudicial to the interest of the Company.

(c) The company has granted loan to its one of the subsidiary. As per the agreement, the borrower is entitled to repay the loan at any time before the

tenure of the loan and however interest has been paid on quarterly basis in the line of agreement.

(d) As per the agreement, the borrower is entitled to repay the loan at any time before the tenure of the loan and however interest has been paid on quarterly basis in the line of agreement. Accordingly, there are no overdue amounts of

more than ninety days. Accordingly, paragraph 3(iii)(d) of the order is not applicable.

- (e) As per the agreement, the borrower is entitled to repay the loan at any time before the tenure of the loan and however interest has been paid on quarterly basis in the line of agreement. The loan granted was not fallen due during the financial year. 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 granted loans in the nature of loans which repayable with in its tenure. 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, 2023 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	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
Central Excise Act, 1944	Excise Duty	0.24	F.Y. 2012-13	Asstt. Commissioner of Central Excise
Custom Act, 1962	Excise Duty	50.54	F.Y. 2022-23	Asstt. Commissioner of Custom & 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 willful 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 unutilized 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 short term 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) on its' account during the year. However, the company filed IPO to sell 14,481,942 fully paid equity shares by existing shareholders on "Offer for sale" basis and the company received the sale proceeds on account of selling shareholders 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 complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures. The company has not received any whistle blower complaint.
- 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 realization 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.
- xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, Accordingly, reporting under clause 3(xxi) of the Order is not applicable for the year.

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

(S.C. Varma)  
Partner  
M. No.: 011450  
UDIN: 23011450BGTUCP4099

Place: New Delhi  
Date: 25-May-23





# Balance Sheet

As at 31st March, 2023

(₹ in millions)

	Notes	As at 31st March 2023	As at 31st March 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	1,614.70	1,734.04
Right-of-Use Assets	3	383.15	310.05
Capital work-in-progress	3	32.90	7.36
Intangible assets	3	14.72	23.58
Intangible assets under development	3	1.41	-
<b>Financial assets</b>			
Investments	4	508.76	536.35
Other financial assets	5	44.53	41.58
Income tax assets (Net)		58.11	83.37
Other non-current assets	6	15.74	6.30
<b>Total non-current assets</b>		<b>2,674.02</b>	<b>2,742.63</b>
<b>CURRENT ASSETS</b>			
Inventories	7	1,533.02	1,549.13
<b>Financial assets</b>			
Investments	8	160.07	-
Trade receivables	9	1,289.37	1,606.54
Cash and cash equivalents	10	284.98	51.29
Other balances with banks	10	0.33	-
Derivative instruments		-	18.91
Loans	11	18.67	2.90
Other financial assets	5	33.16	0.78
Other current assets	6	152.76	225.32
<b>Total current assets</b>		<b>3,472.36</b>	<b>3,454.87</b>
<b>Total Assets</b>		<b>6,146.38</b>	<b>6,197.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	12	446.20	446.20
Other equity	13	4,540.34	3,583.48
<b>Total equity</b>		<b>4,986.54</b>	<b>4,029.68</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
<b>Financial liabilities</b>			
Lease liabilities	15	112.25	39.26
Provisions	16	127.37	129.21
Deferred tax liabilities (Net)	17	65.70	83.22
Other liabilities	18	2.10	2.49
<b>Total non-current liabilities</b>		<b>307.42</b>	<b>254.18</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial liabilities</b>			
Borrowings	14	-	912.08
Lease liabilities	15	27.59	22.40
Derivative instruments		14.66	-
Trade payables due to:	19		
Micro and small enterprises		261.72	310.98
Other than micro and small enterprises		291.78	378.15
Other financial liabilities	20	76.38	-
Other liabilities	18	140.28	231.93
Provisions	16	38.00	33.20
Current tax payable		2.01	24.90
<b>Total current liabilities</b>		<b>852.42</b>	<b>1,913.64</b>
<b>Total equity and liabilities</b>		<b>6,146.38</b>	<b>6,197.50</b>
Significant accounting policies	1 & 2		
See accompanying Notes to 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

Place : New Delhi  
Dated: 25th May, 2023

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

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

**Rohit Maheshwari**  
(Chief Financial Officer)  
[FCA: 093127]

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

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

# Statement of Profit and Loss

For the year ended 31st March, 2023

(₹ in millions)

	Notes	As at 31st March 2023	As at 31st March 2022
<b>INCOME</b>			
Revenue from operations	21	9,292.36	8,826.25
Other income	22	483.22	325.23
<b>Total Income</b>		<b>9,775.58</b>	<b>9,151.48</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	3,879.55	3,932.60
Changes in inventories of finished goods, work-in-progress and scrap	24	56.11	(198.66)
Employee benefits expense	25	1,312.54	1,250.78
Finance costs	26	31.84	33.84
Depreciation and amortization expenses	27	260.53	250.15
Other expenses	28	2,384.26	2,393.08
<b>Total expenses</b>		<b>7,924.83</b>	<b>7,661.79</b>
<b>Profit before tax</b>		<b>1,850.75</b>	<b>1,489.69</b>
<b>TAX EXPENSES</b>			
Current tax	29	369.55	299.89
Earlier years tax		(1.78)	(7.39)
Deferred tax		(12.27)	(15.45)
<b>Total tax expenses</b>		<b>355.50</b>	<b>277.05</b>
<b>Profit for the year</b>		<b>1,495.25</b>	<b>1,212.64</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains / (losses) of defined benefit plans		12.69	(11.42)
Income tax effect		(3.19)	2.87
		9.50	(8.55)
Items that will be reclassified to Profit or Loss:			
Effective portion of cash flow hedge		(33.58)	(8.02)
Income tax effect		8.45	2.02
		(25.13)	(6.00)
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(15.63)</b>	<b>(14.55)</b>
<b>Total comprehensive income for the year</b>		<b>1,479.62</b>	<b>1,198.09</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH</b>			
Basic (In ₹)	30	33.81	27.43
Diluted (In ₹)		33.13	26.87
Significant accounting policies	1 & 2		
See accompanying Notes to 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

Place : New Delhi  
Dated: 25th May, 2023

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

**Rohit Maheshwari**  
(Chief Financial Officer)  
[FCA: 093127]

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, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	1,850.75	1489.69
<b>Adjustments for:</b>		
Depreciation and amortization expenses	260.53	250.15
Interest expenses	22.65	24.73
Interest income	(10.47)	(8.66)
Expense on employee stock option scheme	2.12	7.98
Amount received from Uniparts Employees Stock Option Plan (ESOP) Trust	9.26	12.00
Dividend income	(457.27)	(301.00)
Loss on investment in subsidiary	3.60	0.00
(Profit) / Loss on sale of property, plant and equipment	1.32	1.30
Unrealised foreign exchange (gain)/ loss	11.71	(21.39)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,694.20</b>	<b>1454.80</b>
<b>Adjustments For Changes In Working Capital :</b>		
Increase/(decrease) in loans	(15.77)	0.23
(Increase)/decrease in other financial assets (non-current)	(2.95)	(1.81)
(Increase)/decrease in other non-current assets	(9.45)	13.47
(Increase)/decrease in inventories	16.11	(204.77)
(Increase)/decrease in trade receivables	305.91	(422.11)
(Increase)/decrease in other financial assets (current)	(32.38)	(0.45)
(Increase)/decrease in current tax assets (net)	25.28	(28.55)
(Increase)/decrease in other current assets	72.56	(3.64)
Increase/(decrease) in provisions (non-current)	10.85	(5.82)
Increase/(decrease) in other non-current liabilities	(0.39)	(0.39)
Increase/(decrease) in trade payables	(135.63)	(17.31)
Increase/(decrease) in other current liabilities	(91.64)	64.50
Increase/(decrease) in provisions (current)	4.80	1.23
<b>Cash generated from/(used in) operations</b>	<b>1,917.88</b>	<b>849.38</b>
Income tax paid / (refunds)	390.66	292.50
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>1,527.22</b>	<b>556.88</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(136.24)	(243.66)
Payments for purchase of intangible assets	(1.48)	(2.47)
Proceeds from sale of property, plant and equipment	9.55	3.46
Interest received	10.47	8.66
Dividend received	457.27	301.00
Sale / (Purchase) of current investments (net)	(160.07)	0.00
Liquidation in equity shares of Subsidiary	49.69	0.00
Investment in equity shares of Subsidiary	(25.00)	(30.00)
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>204.19</b>	<b>36.99</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) from/of short term borrowings	(912.54)	(113.75)
Payment of Lease Liabilities	(27.35)	(24.05)
Repayment of long term borrowings	-	(33.33)
Interest paid	(22.65)	(24.73)

## Statement of Cash Flow For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Payment of dividend on equity shares	(534.85)	(401.69)
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(1,497.39)</b>	<b>(597.55)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>234.02</b>	<b>(3.68)</b>
Opening balance of cash and cash equivalents	51.29	57.45
Net increase/(decrease) in temporary overdraft	-	(2.48)
<b>Closing balance of cash and cash equivalents [Refer Note 9]</b>	<b>285.31</b>	<b>51.29</b>
<b>Cash and cash equivalents comprises :</b>		
Cash in hand	0.65	0.92
Balances with banks	284.33	50.37
Other bank balances	0.33	-

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:-

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Opening balance	912.08	1,059.62
<b>Non cash movement</b>		
Exchange (Gain)/Loss	0.46	(0.46)
Interest Cost	22.65	24.73
<b>Cash movement</b>		
Principal repayment of long term borrowings	-	(33.33)
Net short term Borrowing	(912.54)	(113.75)
Interest Payment	(22.65)	(24.73)
<b>Closing balance</b>	<b>-</b>	<b>912.08</b>

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

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

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

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

**Jatin Mahajan**

(Company Secretary)

[FCS: 6887]

Place : New Delhi

Dated: 25th May, 2023



## Statement of Changes in Equity For the period ended 31st March, 2023

### A. EQUITY SHARE CAPITAL

(₹ in millions)

	Amount
<b>Balance at 1st April, 2021</b>	451.34
Change during the period 1st April 2021 to 31st March, 2022	-
<b>Balance at 1st April, 2022</b>	451.34
Change during the period 1st April 2022 to 31st March, 2023	-
<b>Balance at 31st March, 2023</b>	451.34

### B. OTHER EQUITY

(₹ in millions)

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Security premium	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Effective portion of cash flow hedge	
<b>Balance as at 1st April, 2022</b>	845.99	2,690.50	30.00	40.52	12.72	3,619.73
Profit for the period	-	1,495.25	-	-	-	1,495.25
Other comprehensive income for the period	-	9.50	-	-	(25.13)	(15.63)
Total comprehensive income for the period	845.99	4,195.25	30.00	40.52	(12.41)	5,099.35
Payment of dividend on equity shares	-	(534.85)	-	-	-	(534.85)
Transfer from Special Economic Zone re-investment reserve	-	30.00	-	-	-	30.00
Transferred to the surplus/(deficit) in the statement of Profit and Loss	-	-	(30.00)	-	-	(30.00)
ESOP Granted during the period	-	-	-	2.83	-	2.83
	883.27	3,690.40	-	6.07	(12.41)	4,567.33
Amount recoverable from Uniparts Employees Stock Option	(26.99)	-	-	-	-	(26.99)
<b>Balance as at 31st March, 2023</b>	<b>856.28</b>	<b>3,690.40</b>	<b>-</b>	<b>6.07</b>	<b>(12.41)</b>	<b>4,540.34</b>

(₹ in millions)

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Security premium	Retained earnings	Special Economic Zone re-investment reserve	Employees Stock Options Outstanding	Effective portion of cash flow hedge	
<b>Balance as at 1st April, 2021</b>	<b>837.56</b>	<b>1,883.13</b>	<b>34.95</b>	<b>40.02</b>	<b>18.72</b>	<b>2,814.38</b>
Profit for the year	-	1,212.64	-	-	-	1,212.64
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	4,012.48
Payment of dividend on equity shares	-	(401.69)	-	-	-	(401.69)



## Statement of Changes in Equity For the period ended 31st March, 2023

(₹ 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	
Transfer to Special Economic Zone re-investment reserve	-	(30.00)	30.00	-	-	-
Reversal of tax on dividend	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	34.96	(27.12)	-	-	7.84
Transfer to Special Economic Zone re-investment reserve	-	-	(7.83)	-	-	(7.83)
Amount reconginsed during the year	8.43	-	-	(8.43)	-	-
ESOP Granted during the year	-	-	-	8.93	-	8.93
	845.99	2,690.50	30.00	40.52	12.72	3,619.73
Amount recoverable from Uniparts Employees Stock Option	(36.25)	-	-	-	-	(36.25)
<b>Balance as at 31st March, 2022</b>	<b>809.74</b>	<b>2,690.50</b>	<b>30.00</b>	<b>40.52</b>	<b>12.72</b>	<b>3,583.48</b>

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

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

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]

Place : New Delhi

Dated: 25th May, 2023



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 1) Corporate Information

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

The Company caters to both the domestic and international markets. The Company's CIN is L74899DL1994PLC061753.

## 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.

#### 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.

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## Useful life of depreciable Assets

Management reviews the useful life of depreciable assets at each reporting date. As at March 31, 2023 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.

## 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.

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## Initial Recognition and measurement

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

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

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

## Subsequent measurement

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

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

### (iv) Financial liabilities

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

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

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 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 to the Standalone Financial Statements

For the year ended 31st March, 2023

## 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.

## 2.8) Property, Plant & Equipment

### Tangible Assets

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

The estimated useful lives are as mentioned below:

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

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

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

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

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

## 2.9) Intangible Assets

### Recognition and initial measurement

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

### Internally developed intangible assets

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

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

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

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

## 2.10) Foreign Currency Transactions

Functional and presentation currency

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

Transactions and balances

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

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

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

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 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 to the Standalone Financial Statements

For the year ended 31st March, 2023

## (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.

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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 & 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.



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 2.18) Cash and Cash Equivalents

Cash and cash equivalents includes cash and cheques in hand, current accounts and fixed deposit accounts with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2.19) Cash Flow Statement

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

## 2.20) Provisions and Contingencies

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, 2023

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

(₹ in millions)

Description	Gross Block			Depreciation/Amortisation and Depletion			Net Block	
	As at 1st April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April 2022	For the period	Deductions/ Adjustments	As at 31st March 2023	As at 31st March 2022
<b>PROPERTY, PLANT AND EQUIPMENT</b>								
<b>Own Assets:</b>								
Land	34.33	-	-	-	-	-	34.33	34.33
Buildings	771.54	1.95	-	230.55	24.16	0.00	518.78	540.99
Plant & Machinery	2,383.65	88.59	37.62	1,289.91	177.74	29.98	1,437.67	1,093.74
Furniture & fixtures	43.18	3.08	0.06	31.63	1.78	0.06	12.85	11.55
Vehicles	17.21	0.14	4.44	7.73	1.05	1.31	7.47	9.48
Office Equipments	62.87	3.91	0.19	41.93	6.62	0.18	48.37	20.94
Computers	113.25	13.03	3.18	90.24	7.75	3.02	94.97	23.01
<b>Sub total</b>	<b>3,426.03</b>	<b>110.70</b>	<b>45.49</b>	<b>1,691.99</b>	<b>219.10</b>	<b>34.55</b>	<b>1,876.54</b>	<b>1,734.04</b>
<b>Right-of-Use Assets:</b>								
Land	291.10	-	-	32.75	6.55	-	39.30	251.80
Buildings	116.21	103.38	44.23	67.99	24.56	44.23	48.32	48.22
Vehicles	5.96	4.23	4.47	2.48	1.39	2.46	1.41	3.48
Sub total	413.27	107.61	48.70	103.22	32.50	46.69	89.03	310.05
<b>Total (A)</b>	<b>3,839.30</b>	<b>218.31</b>	<b>94.19</b>	<b>1,795.21</b>	<b>251.60</b>	<b>81.24</b>	<b>1,965.57</b>	<b>2,044.09</b>
<b>INTANGIBLE ASSETS</b>								
Software	150.55	0.07	-	126.97	8.93	-	135.90	23.58
<b>Total (B)</b>	<b>150.55</b>	<b>0.07</b>	<b>-</b>	<b>126.97</b>	<b>8.93</b>	<b>-</b>	<b>135.90</b>	<b>23.58</b>
<b>Total (A+B)</b>	<b>3,989.85</b>	<b>218.38</b>	<b>94.19</b>	<b>1,922.18</b>	<b>260.53</b>	<b>81.24</b>	<b>2,101.47</b>	<b>2,067.67</b>
<b>Previous Year</b>	<b>3,768.83</b>	<b>246.83</b>	<b>25.81</b>	<b>1,693.06</b>	<b>250.15</b>	<b>21.03</b>	<b>1,922.18</b>	<b>2,075.77</b>
<b>CAPITAL WORK-IN-PROGRESS</b>								
INTANGIBLE ASSETS UNDER DEVELOPMENT								
							32.90	7.36
							1.41	-

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 3.1) For Assets given as security - Refer Note 13

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

As at 31st March 2023

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	30.77	2.14	-	-	32.90
Project temporarily suspended					
<b>Total</b>	<b>30.77</b>	<b>2.14</b>	<b>-</b>	<b>-</b>	<b>32.90</b>

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	-	-	-	7.36
Project temporarily suspended					
<b>Total</b>	<b>7.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.36</b>

### 3.3) Aging of INTANGIBLE ASSETS UNDER DEVELOPMENT:

As at 31st March 2023

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	1.41	-	-	-	1.41
Project temporarily suspended					
<b>Total</b>	<b>1.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.41</b>

3.4) 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.

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>4. INVESTMENTS</b>		
<b>Non-current</b>		
<b>In Equity shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
<b>Uniparts USA Ltd. 2,000 (2,000) Common Stock of \$ 10 each</b>	0.87	0.87
<b>Uniparts Europe B.V. Nil (11,00,000) Shares of € 1 each</b>	-	71.06
Less: Provision for diminution in value of investment	-	17.76
	-	<b>53.30</b>
<b>Gripwel Fasteners Pvt. Ltd. 57,59,842 (57,59,842) Equity Shares of ₹10 each</b>	49.87	49.87
<b>Uniparts India GmbH 1 (1) Equity Share of € 100,000 each</b>	5.94	5.94
<b>Gripwel Conag Pvt. Ltd. 55,00,000 (30,00,000) Equity Shares of ₹10 each</b>	55.00	30.00
<b>In Preference shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
Uniparts USA Ltd. 8,00,000 (8,00,000) Preferred Stock of \$ 10 each	392.67	392.67
<b>Total</b>	<b>504.35</b>	<b>532.63</b>
Investment in subsidiaries (for ESOP) [Refer Note 4.1]	4.42	3.71
<b>Total Investments Non-current</b>	<b>508.76</b>	<b>536.35</b>
Aggregate amount of Unquoted Investments	508.76	536.35
Aggregate provision for diminution in value of Investments	-	17.76

4.1) The amount of investment in subsidiaries for ESOP represents the current year impact on Statement of 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, 2023

### 5. OTHER FINANCIAL ASSETS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Security deposits	44.50	41.50
Deposits with original maturity of more than twelve months	0.03	0.08
<b>Total</b>	<b>44.53</b>	<b>41.58</b>
<b>Current</b>		
Security deposits	30.00	-
Interest accrued but not due	3.16	0.78
<b>Total</b>	<b>33.16</b>	<b>0.78</b>

### 6. OTHER ASSETS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current (Unsecured, considered good)</b>		
Capital advances	15.74	6.30
<b>Total</b>	<b>15.74</b>	<b>6.30</b>
<b>Current (Unsecured, considered good)</b>		
Advances to suppliers [Refer Note 6.1]	23.94	16.66
Balance with customs, central excise, GST and state authorities	70.42	113.51
Government grant - export incentives receivable	24.08	41.90
Prepaid expenses	31.46	25.87
Advance payments, other recoverable in cash or in kind - or for value to be received	2.04	0.80
Advance rent	0.82	1.47
Fund raising expenses	-	25.11
<b>Total</b>	<b>152.76</b>	<b>225.32</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.

### 7. INVENTORIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Raw materials (including materials in transit)	295.69	266.07
Work-in-progress	560.55	603.79
Finished goods (including goods at port)	486.98	498.61
Stores and spares (Including materials in transit)	184.93	174.55
Scrap	4.87	6.11
<b>Total</b>	<b>1,533.02</b>	<b>1,549.13</b>

### 8. INVESTMENTS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current</b>		
Quoted Funds (Liquid Mutual Funds) (measured at FVTPL)	160.07	-
<b>Total</b>	<b>160.07</b>	<b>-</b>

Aggregate amount of quoted investments - At cost ₹160.00 millions (Previous year ₹ Nil)

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 9. TRADE RECEIVABLES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current (Unsecured)</b>		
Trade receivables (considered good) [Refer Note 39- Related Party Disclosure]	1,289.37	1,606.54
Credit Impaired	0.95	0.95
	<b>1,290.32</b>	<b>1,607.49</b>
Impairment allowance (bad and doubtful debts)		
Expected credit loss	(0.95)	(0.95)
<b>Total</b>	<b>1,289.37</b>	<b>1,606.54</b>

9.1) 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 2023

(₹ in millions)

Description	Less than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,287.04	0.18	1.70	0.13	1.27	1,290.32
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good"	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(ii) Disputed Trade receivables – credit impaired"	-	-	-	-	0.95	0.95

#### As at 31st March 2022

(₹ in millions)

Description	Less than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,600.44	4.75	0.32	0.27	1.71	1,607.49
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(ii) Disputed Trade receivables – credit impaired	-	-	-	-	0.95	0.95





## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 10. CASH AND CASH EQUIVALENTS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Cash in hand	0.65	0.92
<b>Balances with banks:</b>		
In cash credit and current accounts	216.49	49.30
In IPO escrow accounts*	66.26	-
Deposits with original maturity of less than three months	1.05	1.07
Cheques in transit	0.53	-
<b>Total</b>	<b>284.98</b>	<b>51.29</b>
<b>Other bank balances</b>		
Deposits with original maturity of less than twelve months	0.32	-
Unpaid dividend account**	0.01	-
<b>Total</b>	<b>0.33</b>	<b>-</b>

\* Amount held on behalf of selling shareholders who were part of the offer for sale on listing of the Company. This balance is restricted cash and cash equivalents which are not available with the Company for its normal operating, investing and financing activities.

\*\* The Company can utilise these balances only towards settlement of unclaimed dividend.

### 11. LOANS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current (Unsecured, considered good)</b>		
Loans to employees	3.67	2.90
Loans to Subsidiary	15.00	-
<b>Total</b>	<b>18.67</b>	<b>2.90</b>

#### Break up of financial assets carried at amortised cost

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Other financial assets [Refer Note 5]	77.69	42.36
Trade receivables [Refer Note 9]	1,289.37	1,606.54
Cash and cash equivalents [Refer Note 10]	284.98	51.29
Other bank balances [Refer Note 10]	0.33	-
Loans [Refer Note 11]	18.67	2.90
<b>Total</b>	<b>1,671.04</b>	<b>1,703.09</b>

#### Break up of financial assets carried at fair value through OCI

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Derivative instruments	-	18.91
<b>Total</b>	<b>-</b>	<b>18.91</b>

#### Break up of financial assets carried at fair value through PL

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Investments [Refer Note 8]	160.07	-
<b>Total</b>	<b>160.07</b>	<b>-</b>

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 12. SHARE CAPITAL

(₹ in millions)

Particular	As at	
	31st March 2023	31st March 2022
<b>AUTHORISED</b>		
6,00,00,000 (March 31, 2022 : 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, 2022 : 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>

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

(₹ in millions)

Particular	As at		As at	
	31st March 2023		31st March 2022	
	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
Add: Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>4,51,33,758</b>	<b>451.34</b>	<b>4,51,33,758</b>	<b>451.34</b>

### 12.2 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.

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

#### Name of the Shareholder

(₹ in millions)

Particular	As at		As at	
	31st March 2023		31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Gurdeep Soni	89,95,090	19.93%	89,95,090	19.93%
Ashoka Investment Holdings Ltd	-	0.00%	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)	41,00,000	9.08%	52,00,000	11.52%
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company - NV)	41,00,000	9.08%	52,00,000	11.52%
Pamela Soni	8,00,000	1.77%	30,00,000	6.65%
<b>Equity Shares at the end of the year</b>	<b>2,43,90,180</b>	<b>54.04%</b>	<b>3,59,70,822</b>	<b>79.70%</b>

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 12.4 Details of equity share held by promoters / promoter group

(₹ in millions)

Particular	As at 31st March 2023		As at 31st March 2022		% Change in the year
	No. of Shares	Amount	No. of Shares	Amount	
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	8,00,000	1.77%	30,00,000	6.65%	-4.87%
Angad Soni	20,00,000	4.43%	20,00,000	4.43%	0.00%
Arjun Soni	20,00,000	4.43%	20,00,000	4.43%	0.00%
Tanya Kohli	10,00,000	2.22%	10,00,000	2.22%	0.00%
The Paramjit Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	63,95,090	14.17%	63,95,090	14.17%	0.00%
The Karan Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	41,00,000	9.08%	52,00,000	11.52%	-2.44%
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	41,00,000	9.08%	52,00,000	11.52%	-2.44%
Jaswinder Singh Bhogal	1,02,948	0.23%	1,02,948	0.23%	-

### 13. OTHER EQUITY

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>SECURITIES PREMIUM [Refer note 13.1]</b>		
As per last Balance Sheet	845.99	837.56
Add: Amount recognised during the year	37.28	8.43
	883.27	845.99
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	26.99	36.25
	<b>856.28</b>	<b>809.74</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 13.2]</b>		
As per last Balance Sheet	40.52	40.02
Add: Compensation for the year [Refer Note 24]	2.83	8.93
Less: Transfer to Securities premium	37.28	8.43
	<b>6.07</b>	<b>40.52</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	12.72	18.72
Add: Arising during the year	(25.13)	(6.00)
	<b>(12.41)</b>	<b>12.72</b>
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE</b>		
Balance at the beginning	30.00	34.95
Add: Arising during the year	-	30.00
Less: Adjusted during the year	-	27.13
Less: Transferred to the surplus/(deficit) in the statement of Profit and Loss	30.00	7.82
	-	<b>30.00</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS [Refer note 13.3]</b>		

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 13. OTHER EQUITY (Contd.)

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
As per last Balance Sheet	2,690.50	1,883.13
Add: Profit for the year	1,495.25	1,212.64
Add: Transfer from Special Economic Zone re-investment reserve	30.00	34.96
Add: Other Comprehensive Income:		
Re-measurement of defined benefit obligations (net of tax)	9.50	(8.54)
	4,225.25	3,122.19
Less: Appropriations		
Payment of dividend on equity shares	534.85	401.69
Transfer to Special Economic Zone re-investment reserve	-	30.00
	534.85	431.69
	3,690.40	2,690.50
<b>Total</b>	<b>4,540.34</b>	<b>3,583.48</b>

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

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Cash dividends on equity shares declared and paid:</b>		
<b>Final dividend</b>		
For the year ended on March 31, 2022 ₹Nil per share (March 31, 2021 : ₹3.30 per share)	-	148.94
<b>Interim dividend</b>		
For the year ended on March 31, 2022 ₹3.60 per share (March 31, 2021 : ₹Nil per share)	162.48	-
For the year ended on March 31, 2023 ₹8.25 per share (March 31, 2022 : ₹5.60 per share)	372.35	252.75
	534.83	401.69
<b>Proposed dividend on equity shares :</b>		
<b>Interim Dividend</b>		
For the year ended on March 31, 2023 ₹6.00 per share (March 31, 2022 : ₹3.60 per share)	270.80	162.48
<b>Total Dividend</b>	<b>270.80</b>	<b>162.48</b>

The Board of Directors of the Company at its meeting held on 25th May, 2023, has declared Second interim Dividend of ₹6.00/- per share on Equity Share of ₹10 each for the financial Year 2022-23. The same will be payable to those shareholders who hold the equity shares of the Company on the record date i.e. 07 June, 2023. This alongwith first interim dividend of ₹8.25/- per share, works out to a total dividend of ₹14.25/- per share for the year 2022-23.

13.1 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

13.2 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.

13.3 Retained earnings is to be utilised for General purpose.



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 14. BORROWINGS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current borrowings</b>		
Current maturity of term loans from banks		
Rupee term loans from banks (secured) [Refer Note 14.1]	-	33.33
Foreign currency loans		
Preshipment packing credit (secured) [Refer note 14.2]#	-	878.75
<b>Total</b>	<b>-</b>	<b>912.08</b>

### 14.1 Rupee Term Loans:

#### From Citibank N.A.

#### Balance outstanding Nil (For March 31, 2022 ₹33.33 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.

### 14.2 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, A1&2, Phase II, Noida, UP.

#### Rate of Interest

# Ranges from LIBOR/SOFR+100 bps to 200 bps

**14.3** 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.

## 18. OTHER LIABILITIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Lease liabilities	112.25	39.26
<b>Total</b>	<b>112.25</b>	<b>39.26</b>
<b>Current</b>		
Lease liabilities	27.59	22.40
<b>Total</b>	<b>27.59</b>	<b>22.40</b>

## 16. PROVISIONS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Provision for gratuity [Refer Note 33]	108.75	107.81
Provision for leave entitlement [Refer Note 33]	18.62	21.40
<b>Total</b>	<b>127.37</b>	<b>129.21</b>
<b>Current</b>		
Provision for gratuity [Refer Note 33]	30.99	29.37
Provision for leave entitlement [Refer Note 33]	7.01	3.83
<b>Total</b>	<b>38.00</b>	<b>33.20</b>



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 17. DEFERRED TAX LIABILITIES (NET)

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Deferred tax assets</b>	<b>76.81</b>	<b>62.47</b>
Deferred tax liabilities	142.51	145.69
<b>Total</b>	<b>65.70</b>	<b>83.22</b>

### Financial period 2022-23

	As at 31st March 2022	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	As at 31st March 2023
Deferred tax assets				
Expenses deductible in future years	46.95	(2.14)	(3.19)	41.62
Lease Liabilities	15.52	19.68		35.19
	<b>62.47</b>	<b>17.54</b>	<b>(3.19)</b>	<b>76.81</b>
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	140.93	5.27	-	146.20
Fair valuation of Cash Flow Hedges	4.76	-	(8.45)	(3.69)
	<b>145.69</b>	<b>5.27</b>	<b>(8.45)</b>	<b>142.51</b>
<b>Total</b>	<b>83.22</b>	<b>(12.27)</b>	<b>(5.26)</b>	<b>65.70</b>

### Financial year 2021-22

	As at 31st March 2022	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	As at 31st March 2023
<b>Deferred tax assets</b>				
Expenses deductible in future years	39.16	4.92	2.87	46.95
Lease Liabilities	21.57	(6.05)		15.52
	<b>60.73</b>	<b>(1.13)</b>	<b>2.87</b>	<b>62.47</b>
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
On account of Overseas Subsidiaries				
Deferred Tax Liabilities				
	<b>164.29</b>	<b>(16.59)</b>	<b>(2.02)</b>	<b>145.69</b>
<b>Total</b>	<b>103.56</b>	<b>(15.46)</b>	<b>(4.89)</b>	<b>83.22</b>

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 15. LEASE LIABILITIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Deferred government grant [Refer Note 18.1]	2.10	2.49
<b>Total</b>	<b>2.10</b>	<b>2.49</b>
<b>Current</b>		
Trade deposits and advances [Refer Note 18.2]	1.80	1.68
Provision for expenses	39.73	66.50
Employee benefits payable	74.72	96.03
Statutory dues payable	23.77	67.46
Deferred government grant [Refer Note 18.1]	0.26	0.26
<b>Total</b>	<b>140.28</b>	<b>231.93</b>

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

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

### 19. TRADE PAYABLES DUE TO

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Micro and small enterprise [Refer Note 37]	261.72	310.98
Other than micro and small enterprise	291.78	378.15
<b>Total</b>	<b>553.50</b>	<b>689.13</b>

As at 31st March 2023

Trade Payable ageing schedule

(₹ in millions)

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and small enterprise	261.72	-	-	-	261.72
(ii) Other than micro and small enterprise	289.45	0.79	0.13	1.41	291.78
<b>Total</b>	<b>551.17</b>	<b>0.79</b>	<b>0.13</b>	<b>1.41</b>	<b>553.50</b>

As at 31st March 2022

Trade Payable ageing schedule

(₹ in millions)

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and small enterprise	310.98	-	-	-	310.98
(ii) Other than micro and 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>

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 20. Other financial liabilities

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Current		
Payable towards share issue expenses (Net)	76.37	-
Unpaid Dividend	0.01	-
<b>Total</b>	<b>76.38</b>	<b>-</b>

### Break up of financial liabilities carried at amortised cost

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Current borrowings [Refer Note 14]	-	912.08
Lease liabilities [Refer Note 15]	139.84	61.66
Trade payables [Refer Note 19]	553.50	689.13
Other financial liabilities [Refer Note 20]	76.38	-
<b>Total</b>	<b>769.72</b>	<b>1,662.87</b>

### Break up of financial liability carried at fair value through OCI

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Derivative Instruments	14.66	-
<b>Total</b>	<b>14.66</b>	<b>-</b>

### 21 REVENUE FROM OPERATIONS

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Sale of products</b>		
Finished goods (Net of returns, rebate etc.) [Refer Note 36]	8,834.80	8,386.07
Scrap	362.49	357.27
<b>Sale of services</b>		
Job work receipts	7.12	7.40
	<b>9,204.41</b>	<b>8,750.74</b>
<b>Other operating revenues</b>		
Export incentives	87.56	75.12
Amortisation of deferred govt grants	0.39	0.39
	87.95	75.51
<b>Total</b>	<b>9,292.36</b>	<b>8,826.25</b>



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 22 OTHER INCOME

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Interest Income</b>		
Interest	10.47	8.66
Net gain on investments carried at fair value through profit and loss	1.34	0.19
<b>Dividend Income</b>		
<b>From non current investments:</b>		
Dividend income from subsidiaries	457.27	301.00
<b>Others</b>		
Net gain arising on financial assets measured at FVTPL	0.07	-
Lease receipts	3.99	2.87
Insurance Claim Received	1.44	0.02
Miscellaneous receipts	8.64	12.49
<b>Total</b>	<b>483.22</b>	<b>325.23</b>

### 23 COST OF MATERIALS CONSUMED

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Inventories at the beginning of the year	266.07	286.46
<b>Add: Purchases</b>	<b>3,909.17</b>	<b>3,912.21</b>
Less: Inventories at the end of the year	295.69	266.07
<b>Cost of materials consumed</b>	<b>3,879.55</b>	<b>3,932.60</b>

### 24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>(Increase)/decrease in stocks:</b>		
<b>Inventories at the end of the year</b>		
Finished goods	486.98	498.61
Work-in-progress	560.55	603.79
Scrap	4.87	6.11
	1,052.40	1,108.51
<b>Inventories at the beginning of the year</b>		
Finished goods	498.61	225.71
Work-in-progress	603.79	678.44
Scrap	6.11	5.69
	1,108.51	909.85
<b>Total</b>	<b>56.11</b>	<b>(198.66)</b>

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 25 EMPLOYEE BENEFITS EXPENSE

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and wages [Refer Note 34]	1,184.42	1,119.30
Contribution to provident and other funds	51.19	49.06
Expense on employee stock option scheme [Refer Note 35]	2.12	7.98
Staff welfare expenses	74.81	74.44
<b>Total</b>	<b>1,312.54</b>	<b>1,250.78</b>

## 26 FINANCE COSTS

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Interest	22.65	24.73
Interest on lease liabilities	3.21	3.57
<b>Other borrowing costs:</b>		
Bank charges	5.98	5.54
<b>Total</b>	<b>31.84</b>	<b>33.84</b>

## 27 DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation of tangible assets [Refer Note 3]	219.10	210.55
Depreciation of right-of-use assets [Refer Note 3]	32.50	30.59
Amortization of intangible assets [Refer Note 3]	8.93	9.01
<b>Total</b>	<b>260.53</b>	<b>250.15</b>

## 28 OTHER EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Stores, spares and tools consumed	575.79	604.48
Sub-contracting expenses	346.15	391.03
Power, fuel and water	433.88	411.83
Cartage, freight and forwarding	640.64	714.37
Air freight	46.55	46.59
Rent	1.93	3.48
Rates and taxes	18.44	8.29
Travelling and conveyance	23.67	10.97
Communication	6.37	6.38
Printing and stationery	6.57	5.89
Insurance	11.91	11.46





## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Repairs and maintenance:</b>		
Building	39.18	32.85
Plant and machinery	118.84	106.61
Others	80.08	62.96
Office maintenance	17.95	17.26
Vehicle repairs and maintenance	2.84	3.01
Advertisement, publicity and sales promotion	3.79	1.99
Legal and professional charges	19.50	34.82
Directors sitting fees	2.73	0.89
Payment to auditors [Refer Note 28.1]	4.88	2.61
Exchange differences (net)	(41.89)	(97.96)
Bad debts	0.35	1.05
Loss on Investment (Net)	3.60	-
Staff recruitments	7.01	3.23
Loss on sale of fixed assets (net)	1.32	1.30
Donation and charity	0.03	0.62
Contribution towards CSR [Refer Note 38]	12.00	5.50
Miscellaneous	0.15	1.57
<b>Total</b>	<b>2,384.26</b>	<b>2,393.08</b>

### 28.1 Payment to Auditors

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>As Auditors:</b>		
Audit fees	2.75	2.20
Tax Audit Fee	0.40	-
<b>In Other Capacity:</b>		
Other Capacity	0.62	-
Taxation Matters	0.25	-
Out of pocket expenses	0.86	0.41
<b>Total</b>	<b>4.88</b>	<b>2.61</b>

\* In addition to above ₹3.27 millions has been paid for the services related to Initial Public Offer (IPO) of the Company

### 29 TAX EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Current tax	369.55	299.89
Deferred tax	(12.27)	(15.45)
Tax for earlier years (Net)	(1.78)	(7.39)
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>355.50</b>	<b>277.05</b>

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Accounting profit before tax from operations	1,850.75	1,489.69
Applicable Tax Rate	25.168%	25.168%
Income tax expense calculated at applicable tax rate	465.80	374.93
<b>Items giving rise to difference in tax</b>		
Exemption/Deduction u/s 10	-	(7.55)
Deductions u/s 80M	(115.09)	(75.73)
Expenses disallowed	24.19	19.82
Others	(5.35)	(11.58)
<b>Current Tax Provision</b>	<b>369.55</b>	<b>299.89</b>
Deferred tax liability on account of timing difference	5.27	(16.59)
Deferred tax assets on account of timing difference	17.54	(1.13)
<b>Deferred Tax Provision</b>	<b>(12.27)</b>	<b>(15.45)</b>
Tax for earlier years (Net)	(1.78)	(7.39)
Total tax expenses recognised	355.50	277.05
<b>Effective tax rate</b>	<b>19.21%</b>	<b>18.60%</b>

## 30 EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

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

### 28.1 Payment to Auditors

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Computation of Profit (Numerator)</b>		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	1,495.25	1,212.64
<b>Computation of Weighted Average Number of Shares (Denominator)</b>		
Adjusted Weighted Average number of Equity Shares for calculating Diluted EPS	45.13	45.13
Less: Shares Issued to Uniparts ESOP Trust	0.90	0.92
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44.23	44.21
Computation of EPS - Basic (in ₹)	33.81	27.43
Computation of EPS - Diluted (in ₹)	33.13	26.87



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 31 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 2023

(₹ in millions)

Description	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans		12.69	(3.19)	9.50
Effective portion of cash flow hedge	(33.58)		8.45	9.50
<b>Total</b>	<b>(33.58)</b>	<b>12.69</b>	<b>5.26</b>	<b>(15.63)</b>

Year ended 31st March 2023

(₹ in millions)

Description	Effective portion of cash flow hedge	Retained earnings	Income tax/ Deferred tax	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)
<b>Total</b>	<b>(8.02)</b>	<b>(11.42)</b>	<b>4.89</b>	<b>(14.55)</b>

### 32 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>(i) Contingent liabilities:</b>		
<b>(a) Claims against the company not acknowledged as debt:</b>		
Sales Tax Matters	2.33	2.33
Excise Matters	0.21	0.21
GST Matters	0.36	0.36
Labour Matters	Not Ascertainable	Not Ascertainable
<b>(b) Income Tax Demands</b>	130.10	46.61
<b>(c) Others</b>		
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
BSE Limited	5,360.00	-
Gas Connections	5.79	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
<b>(ii) Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	31.59	11.08

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 33 LEASE

(i) The following is the aggregate movement in lease liabilities during the period ended March 31, 2023:

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Opening Balance	61.66	85.71
Additions during the year	107.61	1.49
Deletion during the year	(2.09)	-
Finance cost accrued during the year	3.21	3.57
Payment of lease liabilities	(30.55)	(29.11)
<b>Balance as at end of year</b>	<b>139.84</b>	<b>61.66</b>

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

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Current lease liabilities	27.59	22.40
Non-current lease liabilities	112.25	39.26
<b>Total</b>	<b>139.84</b>	<b>61.66</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.

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Payable within one year	27.59	22.40
Payable between one to five years	69.82	39.26
Payable after five years	42.43	-
<b>Total</b>	<b>139.84</b>	<b>61.66</b>



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 34 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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Expected Rate of Return on Plan Assets	7.52%	7.23%
Discounting Rate	7.52%	7.23%
Salary Escalation rate- Staff	8.00%	10.00%
Salary Escalation rate- Worker	8.00%	8.00%
Rate of Employee Turnover- Staff	14.00%	13.00%
Rate of Employee Turnover- Worker	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present value of obligation as at the beginning of the year/period	183.03	155.61
Interest cost	13.23	9.85
Current service cost	16.35	14.19
Liability Transferred In/ Acquisitions (Liability Transferred Out/ Divestments)	1.59 (0.90)	(0.35) -
(Benefit Paid Directly by the Employer)	(11.71)	(7.92)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.65)	2.76
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(12.70)	9.33
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.39)	(0.44)
<b>Present Value of Benefit Obligation at the End of the year</b>	<b>186.85</b>	<b>183.03</b>

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening fair value of plan assets	45.87	24.10
Interest Income	3.32	1.53
Contributions	-	20.00
Return on plan assets, excluding amount recognized in Interest Income -Gain /(Loss)	(2.05)	0.24
<b>Closing fair value of plan assets</b>	<b>47.14</b>	<b>45.87</b>



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## The amounts to be recognised in the Balance Sheet

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present value of obligation as at the end of the year	186.85	183.03
Fair value of plan assets as at the end of the year	47.13	45.87
Funded Status (Surplus/ (Deficit))	(139.75)	(137.18)
<b>Net asset / (liability) to be recognised in balance sheet</b>	<b>(139.75)</b>	<b>(137.18)</b>

## Net Interest cost (Income/Expense)

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present Value of Benefit Obligation at the Beginning of the year	183.03	155.61
(Fair Value of Plan Assets at the Beginning of the year)	(45.87)	(24.10)
Net Liability/(Asset) at the Beginning	137.18	131.52
Interest Cost	13.23	9.85
(Interest Income)	(3.32)	(1.53)
<b>Net Interest Cost for Current year</b>	<b>9.91</b>	<b>8.32</b>

## Expense recognised in the statement of profit and loss

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Current service cost	16.35	14.19
Net Interest (Income) / Expense	9.91	8.32
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>26.26</b>	<b>22.51</b>

## Amount recognised in Statement of Other Comprehensive Income (OCI)

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial (Gains)/Losses on Obligation For the year	(14.74)	11.66
Return on Plan Assets, Excluding Interest Income	2.05	(0.24)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>(12.69)</b>	<b>11.42</b>

## Reconciliation of net Liability/(Asset) recognised:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening Net Liability	137.19	131.53
Expenses Recognized in Statement of Profit or Loss	26.27	22.52
Expenses Recognized in OCI	(12.69)	11.42
Net Liability/(Asset) Transfer In	1.59	-
Net (Liability)/Asset Transfer Out	(0.90)	(0.35)
(Benefit Paid Directly by the Employer)	(11.71)	(7.92)
(Employer's Contribution)	-	(20.00)
<b>Net Liability/(Asset) For the year Recognized in Balance Sheet</b>	<b>139.74</b>	<b>137.19</b>



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

The major categories of plan assets are as follows:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Insurance fund	47.13	45.87

Other Details

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
No of Active Members	1,808	1,824
Per Month Salary For Active Members	30.99	29.37
Weighted Average Duration of the Projected Benefit Obligation	10	11
Average Expected Future Service	13	13
Defined Benefit Obligation (DBO)-Total	186.88	183.05
Defined Benefit Obligation (DBO)- Due but not Paid	0.35	-
Defined Contribution For Next Year (12 Months)	30.99	29.37

Maturity Analysis of Projected Benefit Obligation: From the Employer

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	16.61	15.79
2nd Following Year	13.45	12.26
3rd Following Year	15.92	11.89
4th Following Year	13.91	13.86
5th Following Year	14.02	13.53
Sum of Years 6 To 10	75.19	72.02
Sum of Years 11 and above	274.14	275.71

### Sensitivity analysis

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Decrease by 1%	17.01	17.60
Increase by 1%	(14.65)	(15.10)
	2.36	2.50

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Decrease by 1%	(14.48)	(14.67)
Increase by 1%	16.45	16.69
	1.97	2.02

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Year ended	
	31st March 2023	31st March 2022
Decrease by 1%	0.66	1.65
Increase by 1%	(0.59)	(1.48)
	<b>0.07</b>	<b>0.17</b>

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:

(₹ in millions)

Particular	Current Period		previous Period
Present Value of Benefit Obligation at the End of the year	186.88		183.05
(Fair Value of Plan Assets at the End of the year)	(47.13)		(45.87)
Net Liability/(Asset) at the End of the year	139.75		137.18
Interest Cost	14.03		13.23
(Interest Income)	(3.52)		(3.32)
Net Interest Cost for Next Year	10.51		9.92

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

(₹ in millions)

Particular	Current Period		previous Period
Current Service Cost	15.57		16.35
Net Interest Cost	10.51		9.92
(Expected Contributions by the Employees)	-		-
Expenses Recognized	26.08		26.27

#### 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 period/year ended March 31, 2023 is ₹9.25 million and for the year ended March 31, 2022 is ₹10.72 million has been recognised in the statement of profit and loss.

(₹ in millions)

Particular	Current Period		previous Period	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	7.01	18.62	3.83	21.40
	7.01	18.62	3.83	21.40

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 35 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 ₹50.06 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2023 is ₹32.13 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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Outstanding at the beginning of the year	9,16,002	9,61,488
Granted during the year	-	69,912
Forfeited/Surrendered during the year	(19,941)	(4,200)
Exercised during the year	2,05,828	1,11,198
Outstanding at the end of the year	6,90,233	9,16,002
Vested and Exercisable at the end of the year	6,34,262	7,74,723

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## (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 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022		
Grant-1	08/02/07	89,754	89,754	-	-	135.00	96.45
Grant-2	27/03/08	20,357	20,357	-	-	135.00	114.02
Grant-3	27/03/09	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25/03/11	12,449	22,785	-	-	105.00	56.69
Grant-5	03/03/12	-	11,268	-	-	105.00	77.63
Grant-6	12/01/13	-	22,535	-	-	105.00	67.19
Grant-7	25/09/13	-	-	-	-	105.00	41.10
Grant-8	23/12/13	-	5,000	-	-	105.00	47.08
Grant-9	15/02/14	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	2,36,581	2,85,720	-	-	-	-
Grant-10	23/08/14	-	19,600	-	-	52.50	32.50
Grant-11	30/06/15	-	-	-	-	52.50	38.26
Grant-12	23/11/18	1,44,600	2,32,550	-	0.65	52.50	53.34
Grant-13	07/08/19	25,000	25,000	0.33	1.33	52.50	43.84
Grant-14	05/11/20	-	-	-	-	52.50	77.68
Grant-15	27/07/21	44,971	64,912	2.32	3.32	52.50	136.03
Grant-16	29/10/21	2,500	2,500	2.58	3.58	52.50	136.03
		<b>6,90,233</b>	<b>9,16,002</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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Expenses arising from equity – settled share-based payment transactions	2.12	7.98

## 36 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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Information in respect of geographical areas		
Segment revenue from external customers :		
Within India	3,231.05	3,071.65
Outside India (Excluding deemed export)	5,973.37	5,679.09
	<b>9,204.41</b>	<b>8,750.74</b>





## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
USA	2,911.48	2,697.69
Asia Pacific	345.60	272.44
Europe	1,663.20	1,834.62
India	2,861.43	2,706.97
Japan	677.08	599.54
Rest of the World	376.01	274.80
	<b>8,834.81</b>	<b>8,386.07</b>
Sale of Scrap	362.49	357.27
Job Work Receipts	7.12	7.40
<b>Total Revenue</b>	<b>9,204.41</b>	<b>8,750.74</b>

### Major Product line

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
3PL	5,729.15	5,538.67
FAB	105.69	140.91
HYD	5.39	3.13
PMP	2,755.82	2,411.69
PTO	188.24	200.75
Others	50.52	90.91
	<b>8,834.81</b>	<b>8,386.07</b>
Sale of Scrap	362.49	357.27
Job Work Receipts	7.12	7.40
<b>Total Revenue</b>	<b>9,204.41</b>	<b>9,204.41</b>

### 37 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 :-

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
(i) <b>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;</b>		
Principal	261.72	310.98
Interest	0.02	0.12
(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	-	-

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
(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	0.02	0.36
(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

### 38 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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
a) Gross amount required to be spent by the Company during the year	12.00	5.47

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

(₹ in millions)

Particular	In cash	Yet to be paid in cash	Total
<b>- March 31, 2023</b>			
Construction/acquisition	-	-	-
On purposes other than above	12.00	-	12.00
<b>- March 31, 2022</b>			
Construction/acquisition	-	-	-
On purposes other than above	5.50	-	5.50
c) (Shortfall) / Excess at the end of the year		-	0.03
d) Total of previous years shortfall		-	-
e) Details of related party transactions		NA	NA
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 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:		Cultural, Education and Social	Educational & Health facilities

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 39 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 : (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening Balance	2.76	3.15
Grant recognized during the year	-	-
Less : Amount recognized in statement of profit and loss*	(0.39)	(0.39)
Closing Balance	<b>2.36</b>	<b>2.76</b>
Non-current portion	2.10	2.49
Current portion	0.26	0.26

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

## 40 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

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	-	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	100.00

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

#### (b) Step down Subsidiaries

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Uniparts Olsen Inc.	USA	100.00	100.00

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## **(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 LLP (Formerly known as Tima Trading Pvt. Ltd.)  
Amazing Estates Pvt. Ltd.  
GKP Farm LLP (Formerly known as 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.  
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  
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  
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 (till: 14th February 2023)  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Ashish Srivastava - Company Secretary (till: 18th January 2022)  
Jatin Mahajan (Company Secretary) (w.e.f : 22nd March 2022)  
Rohit Maheshwari-Chief Financial Officer (w.e.f : 1st March 2023)



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### (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

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>1 Gripwel Fasteners Pvt. Ltd.</b>		
-In Trade Account	14.61	51.76
-In Equity Shares	49.87	49.87
<b>2 Uniparts USA Limited</b>		
-In Trade Account	97.41	266.58
-In Common Stock	0.87	0.87
-In Preferred Stock	392.67	392.67
<b>3 Uniparts Europe B.V.</b>		
-In Equity Shares	-	71.06
<b>4 Uniparts India GmbH</b>		
-In Trade Account	160.10	193.49
-In Equity Shares	5.94	5.94
<b>5 Uniparts Olsen Inc.</b>		
-In Trade Account	71.97	36.98
<b>6 Uniparts ESOP Trust</b>		
-In Loan Account	32.13	41.39
<b>7 Gripwel Conag Private Limited</b>		
-In Trade Account	3.49	-
-In Equity Shares	55.00	30.00

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

(₹ in millions)

Particular	Relationship	As at 31st March 2023	As at 31st March 2022
<b>1 Purchase of Goods/Samples/ Packing and Services</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	46.73	30.27
Uniparts India GmbH	Subsidiary	26.14	24.37
Gripwel Conag Pvt. Ltd.	Subsidiary	1.96	-
		<b>74.83</b>	<b>54.64</b>
<b>2 Sale of Goods/Service</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	861.42	1,060.09
Uniparts India GmbH	Subsidiary	779.37	873.36
Uniparts Olsen Inc.	Step-Down Subsidiary	1,208.01	1,058.12
Uniparts USA Limited	Subsidiary	1,311.76	1,299.84
Gripwel Conag Pvt. Ltd.	Subsidiary	1.55	-
		<b>4,162.11</b>	<b>4,291.41</b>



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Relationship	As at 31st March 2023	As at 31st March 2022
<b>3 Sale of Fixed Asset</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	-	-
Gripwel Conag Pvt. Ltd.	Subsidiary	0.38	-
		<b>0.38</b>	-
<b>4 Job Work income</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	5.26	7.21
Gripwel Conag Pvt. Ltd.	Subsidiary	1.85	-
		<b>7.11</b>	<b>7.21</b>
<b>5 Rent Paid</b>			
Soni Holdings	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.97	0.97
		<b>0.97</b>	<b>0.97</b>
<b>6 Lease Rent Income</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	0.04	0.04
Gripwel Conag Pvt. Ltd.	Subsidiary	0.75	-
		<b>0.79</b>	<b>0.04</b>
<b>7 Air Freight Expenses</b>			
Uniparts India GmbH	Subsidiary	-	0.57
		-	<b>0.57</b>
<b>8 Current Account Receipts</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	5.31	14.74
Gripwel Conag Pvt. Ltd.	Subsidiary	1.02	-
Uniparts Gratuity Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	-	-
		<b>6.33</b>	<b>14.74</b>
<b>9 Current Account Payments</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	5.31	14.74
Gripwel Conag Pvt. Ltd.	Subsidiary	1.02	-
Uniparts Gratuity Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	-	-
		<b>6.33</b>	<b>14.74</b>
<b>10 Other Income</b>			
Uniparts Olsen Inc.	Step-Down Subsidiary	0.16	0.28
Uniparts USA Limited	Subsidiary	0.19	-
Uniparts India GmbH	Subsidiary	26.19	25.96
Gripwel Fasteners Pvt. Ltd.	Subsidiary	1.07	0.19
		<b>27.61</b>	<b>26.43</b>
<b>11 Guarantees and Collaterals Given</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	225.00	225.00
Gripwel Conag Pvt. Ltd.	Subsidiary	300.00	-
		<b>525.00</b>	<b>225.00</b>



## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Relationship	As at 31st March 2023	As at 31st March 2022
<b>12 Guarantees and Collaterals Given by</b>			
Gripwel Fasteners Pvt. Ltd.	Subsidiary	35.00	100.00
		<b>35.00</b>	<b>100.00</b>
<b>13 Sitting fees</b>			
Alok Nagory	Independent Director	0.62	0.18
Madhukar Rangnath Umarji	Independent Director	-	-
Sharat Krishan Mathur	Independent Director	0.93	0.41
Shradha Suri	Independent Director	0.45	0.20
Sanjeev Kumar Chanana	Independent Director	0.73	0.10
		<b>2.73</b>	<b>0.89</b>
<b>14 Dividend Paid</b>			
Angad Soni	Relative of Key Managerial Personnel	23.70	17.80
Gurdeep Soni	Key Managerial Personnel	106.59	80.06
Pamela Soni	Relative of Key Managerial Personnel	17.40	26.70
Arjun Soni	Relative of Key Managerial Personnel	23.70	17.80
Paramjit Singh Soni	Key Managerial Personnel	2.37	1.78
Tanya Kohli	Relative of Key Managerial Personnel	11.85	8.90
Uniparts ESOP Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	10.61	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	75.78	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	52.55	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	52.55	46.28
		<b>377.10</b>	<b>311.01</b>
<b>15 Dividend Income</b>			
Gripwel Fasteners Pvt. Ltd	Subsidiary	293.75	150.91
Uniparts USA Limited	Subsidiary	163.52	150.10
		<b>457.27</b>	<b>301.01</b>
<b>16 Security deposits paid</b>			
Soni Holdings	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.09	-
		<b>0.09</b>	<b>-</b>

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Relationship	As at 31st March 2023	As at 31st March 2022
<b>17 Electricity Expenses</b>			
Avid Maintenance LLP	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.21	-
		<b>0.21</b>	<b>-</b>
<b>18 Interest Income</b>			
Gripwel Conag Pvt. Ltd.	Subsidiary	0.39	-
		<b>0.39</b>	<b>-</b>
<b>19 Loan Given</b>			
Gripwel Conag Pvt. Ltd.	Subsidiary	52.50	-
		<b>52.50</b>	<b>-</b>
<b>20 Receipt Against Loan Given</b>			
Gripwel Conag Pvt. Ltd.	Subsidiary	37.50	-
		<b>37.50</b>	<b>-</b>
<b>21 Purchase of share capital</b>			
Gripwel Conag Pvt. Ltd.	Subsidiary	25.00	30.00
		<b>25.00</b>	<b>30.00</b>
<b>22 Key Managerial Person Remuneration**</b>			
Sudhakar Simhachala Kolli	Group Chief Operating Officer	14.31	22.97
Rohit Maheshwari	Chief Financial Officer	1.77	-
Munish Sapra	Chief Financial Officer	15.34	13.56
Ashish Srivastava	Company Secretary	-	1.91
Jatin Mahajan	Company Secretary	6.56	0.25
		<b>37.98</b>	<b>38.69</b>
<b>23 ESOP Expenses to Key Managerial Person***</b>			
Mukesh Kumar	Company Secretary	-	-
Sudhakar Simhachala Kolli	Group Chief Operating Officer	0.15	0.84
Munish Sapra	Chief Financial Officer	-	0.63
		<b>0.15</b>	<b>1.47</b>

Notes:

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

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

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



# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 41 Ratio as per the schedule III requirements

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>(a) Current Ratio ^</b>		
Current assets	3,472.36	3,454.87
Current Liabilities	852.42	1,913.64
Current ratio	4.07	1.81
% Change from previous year	125.63%	
<b>(b) Debt-Equity Ratio #</b>		
Debt (Borrowing)	-	912.08
Total Equity	4,986.54	4,029.68
Debt Service Coverage Ratio	-	0.23
% Change from previous year	-100.00%	
<b>(c) Debt Service Coverage Ratio</b>		
Profit after tax for the year	1,495.25	1,212.64
<b>Add: Non cash operating expense and finance cost</b>	<b>287.71</b>	<b>279.75</b>
Depreciation and amortisation expense	260.53	250.15
Interest paid	25.86	28.30
Loss/(Profit) on sale of fixed assets	1.32	1.30
<b>Earnings available for debt services</b>	<b>1,782.96</b>	<b>1,492.39</b>
Interest paid	22.65	24.73
Lease repayments	30.55	29.11
Long term secured loans repaid	70.83	62.54
<b>Total interest and principal repayments</b>	<b>124.03</b>	<b>116.38</b>
<b>Debt service coverage ratio</b>	<b>14.38</b>	<b>12.82</b>
% Change from previous year	12.10%	
<b>(d) Return on Equity Ratio</b>		
Profit after tax for the year	1,495.25	1,212.64
Average Equity	4,508.11	3,621.01
<b>Return on equity ratio</b>	<b>33.17%</b>	<b>33.49%</b>
% Change from previous year	-0.96%	
<b>(e) Inventory turnover ratio</b>		
Cost of materials consumed	3,879.55	3,932.60
Changes in inventories of finished goods, work-in-progress and scrap	56.11	(198.66)
<b>Cost of goods sold</b>	<b>3,935.66</b>	<b>3,733.94</b>
Average inventory	1,541.08	1,446.74
<b>Inventory turnover ratio</b>	<b>2.55</b>	<b>2.58</b>
% Change from previous year	-1.05%	
<b>(f) Trade Receivables turnover ratio</b>		
Sale of goods and services	9,204.41	8,750.74
Average account receivable	1,447.96	1,385.02
<b>Trade receivables turnover ratio</b>	<b>6.36</b>	<b>6.32</b>
% Change from previous year	0.61%	

# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 41 Ratio as per the schedule III requirements

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>(g) Trade payables turnover ratio</b>		
Purchases	3,909.17	3,912.21
Average trade payables	621.32	697.79
<b>Trade payables turnover ratio</b>	6.29	5.61
% Change from previous year	12.22%	
<b>(h) Net capital turnover ratio #</b>		
Revenue from operations	9,292.36	8,826.25
Net working capital* (refer note below)	2,619.94	1,541.23
<b>Net capital turnover ratio</b>	3.55	5.73
% Change from previous year	-38.07%	
<b>Note: Net working capital is calculated by reducing total current liabilities from total current assets.</b>		
<b>(i) Net profit ratio</b>		
Profit after tax for the year	1,495.25	1,212.64
Revenue from operations	9,292.36	8,826.25
<b>Net profit ratio</b>	16.09%	13.74%
% Change from previous year	17.12%	
<b>(j) Return on Capital employed #</b>		
Profit before tax	1,850.75	1,489.69
Finance costs	31.84	33.84
<b>Earnings before interest and tax</b>	<b>1,882.59</b>	<b>1,523.53</b>
<b>Capital employed</b>	<b>4,752.54</b>	<b>5,011.78</b>
Tangible net worth	4,986.54	4,029.68
Total Debt*	(284.98)	922.46
Deferred tax Liability	65.70	83.22
Intangible net worth	14.72	23.58
<b>Return on capital employed</b>	39.61%	30.40%
% Change from previous year	30.31%	
Total Debt*= Borrowings - Cash & cash equivalents		

^ The variation in current ratio as at March 31, 2023 as compared to March 31, 2022 is primarily due to decrease in current borrowing.

# Variation in Turnover and other profitability ratios is primarily due to increase in turnover and profitability during the year ended March 31, 2023.





# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 42 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 :

(₹ in millions)

S No	Name of Bank			As at 31st March 2023		As at 31st March 2022	
				Foreign Currency	INR	Foreign Currency	INR
1	Forward Contract	USD	Hedging of highly probable sales	14.90	1,141.97	26.10	2,034.73
		EUR	Hedging of highly probable sales	7.20	648.98	2.00	177.07

The cash flow hedges of the expected future sales during the year ended March 31, 2023 were assessed to be effective and a unrealised gain/(loss) of (₹33.58 million), with a deferred tax assets of ₹8.45 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, 2022 were assessed to be highly effective and a unrealised gain/(loss) of (₹8.02 million), with a deferred tax asset of ₹2.02 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, 2023 is detailed in Note 31 totaling ₹6.00 million (net of tax) [March 31, 2022: (₹45.28) million (net of tax)]. The amounts retained in OCI at March 31, 2023 are expected to mature and affect the statement of profit and loss till the year ended March 31, 2024.

Reclassifications to profit or loss during the year gains or losses included in OCI are shown in Note 31.

## 43 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 to the Standalone Financial Statements

For the year ended 31st March, 2023

## 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.

(₹ in millions)

Particular	Effect on profit and equity	
	Year ended 31st March 2023	Year ended 31st March 2022
<b>Variable rate borrowings</b>		
Long Term	-	-
Short Term	-	878.75
<b>Total Variable rate borrowings</b>	<b>-</b>	<b>878.75</b>
<b>Fixed rate borrowings</b>		
Long Term	-	33.33
Short Term	-	-
<b>Total fixed rate borrowings</b>	<b>-</b>	<b>33.33</b>
<b>Total</b>	<b>-</b>	<b>912.08</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:

(₹ in millions)

Particular	Effect on profit and equity	
	Year ended 31st March 2023	Year ended 31st March 2022
Interest rate - increase by 100 basis points (100 bps)*	0.00	(8.79)
Interest rate - decrease by 100 basis points (100 bps)*	0.00	8.79

\* Holding all other variable constant

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

## c) Foreign currency risk

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

The Company have long term agreements with its major customers, the company face foreign exchange risk in respect of (I) our foreign currency loans, in respect of which selectively hedge currency exchange rate risk, (ii) currency mismatches between income and expenditures, which the company seek to manage as much as possible

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

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:

### Outstanding balances

(₹ in millions)

Particular	Currency	Description	Year ended	Year ended
			31st March 2023	31st March 2022
a) Receivables	USD	Sale	6.98	-
	EUR	Sale	2.55	3.84
	JPY	Sale	10.23	43.72
b) Payables	USD	Purchase	-	0.01
	EUR	Purchase	-	-
c) Loans	USD	PCFC Loan/PSFC Loan	-	0.09
d) Bank	USD		-	-
e) Other Receivable	USD		0.05	0.08
f) Other Payables	USD		0.02	-
	JPY		4.82	2.91

### Foreign currency sensitivity

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

(₹ in millions)

Particular	Effect on profit and equity	
	Year ended	Year ended
	31st March 2023	31st March 2022
INR/USD-Increase by 5%	28.83	(0.04)
INR/EUR-Increase by 5%	11.36	16.11
INR/JPY-Increase by 5%	0.17	1.27
INR/USD-Decrease by 5%	(28.83)	0.04
INR/EUR-Decrease by 5%	(11.36)	(16.11)
INR/JPY-Decrease by 5%	(0.17)	(1.27)

### 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."

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 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.

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Total Committed working capital limits from Banks	1,650.00	1,650.00
Less: Utilized working capital limit	-	878.75
Unutilized working capital limit	<b>1,650.00</b>	<b>771.25</b>

### g) Maturities of financial liabilities

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>1 Long Term Borrowings</b>		
Upto 1 year	-	33.33
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>2 Short Term Borrowings</b>		
Upto 1 year	-	878.75
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>3 Trade Payables</b>		
Upto 1 year	553.51	689.13
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>4 Lease Liabilities</b>		
Upto 1 year	27.59	22.40
Between 1 to 5 years	69.82	39.26
Over 5 years	42.43	-
<b>Total</b>	<b>693.35</b>	<b>1,662.87</b>

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

### 44 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:

(₹ in millions)

Particular	Level of Input	Carrying amount		Fair value	
		Year ended 31st March 2023	Year ended 31st March 2022	Year ended 31st March 2023	Year ended 31st March 2022
<b>Financial Assets</b>					
Loan to Employees		18.67	2.90	18.67	2.90
Security Deposits		74.50	41.50	74.50	41.50
Derivative instruments	Level 1	-	18.91	-	18.91
Trade Receivables		1,289.37	1,606.54	1,289.37	1,606.54
Cash & Bank Balances		285.31	51.29	285.31	51.29
Other Receivables		3.19	0.86	3.19	0.86
<b>Financial Liabilities</b>					
Borrowings		-	912.09	-	912.09
Trade Payables		553.51	689.13	553.51	689.13
Lease liabilities		139.84	61.66	139.84	61.66
Derivative instruments	Level 1	14.66	-	14.66	-
Other financial liabilities		76.38	-	76.38	-

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.

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

- (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 June 30, 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/(liabilities) classified as FVTOCI:

(₹ in millions)

Particular	As at	As at
	31st March 2023	31st March 2022
<b>Derivatives</b>		
<b>Assets</b>		
Forward Currency Contract	-	18.91
<b>Liabilities</b>		
Forward Currency Contract	14.66	-

## 45 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.

(₹ in millions)

Particular	Year ended	Year ended
	31st March 2023	31st March 2022
Borrowings	-	912.09
Less: cash and other liquid assets	285.30	51.28
Net Debt	(285.30)	860.81
Equity	4,986.54	3,467.61
<b>Debt/Equity ratio</b>	<b>-</b>	<b>0.23</b>





# Notes to the Standalone Financial Statements

For the year ended 31st March, 2023

## 46 Initial Public Offering

During the year ended March 31, 2023, the Company has completed its Offer for sale ("IPO"), comprising of an offer for sale of 14,481,942 equity shares of face value ₹10 each at an issue price of ₹577 per share by existing shareholders. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India (NSE) and BSE Limited (BSE) on December 12, 2022.

**47** Under an agreement with BRLMs and selling Shareholders, as part of the Offer for Sale (IPO), company had opened an Escrow Bank account with AXIS Bank for handling all IPO related proceeds and disbursements.

As on the date of the Financial Statements, the balance in the said Escrow Bank Account was ₹66.26 millions which is kept for settlement of all the remaining IPO related claims of the vendors and balance to be refunded to the selling share holders.

**48** 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 S.C. VARMA AND CO.**

Chartered Accountants

Firm Regn. No.000533N

**S.C. Varma**

(Partner)

Membership No. 011450

Place : New Delhi

Dated: 25th May, 2023

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Jatin Mahajan**

(Company Secretary)

[FCS: 6887]

# Independent Auditor's Report

To  
The Board of Directors 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 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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, 2023, 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.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



## Description of Key Audit Matter

a. Revenue recognition - See note 2.8 and note 20 to the consolidated financial statements

Key Audit Matter	How the matter was addressed in our audit
<p>The Company has revenue from multiple locations geographically spread across India.</p> <p>Revenue is recognized based on the accounting policies disclosed in the note 2.8 to the consolidated financial statements.</p> <p>Revenue from the sale of goods is recognized at the moment when customer obtains control of the goods at different point in time based delivery terms. Accordingly, the Group satisfies its performance obligation at the time of dispatch of goods from factory/ stockyard/ storage area/ port as the case may be; and is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, claims paid and volume rebates.</p> <p>Revenue is presented net of Goods and Service Tax, wherever applicable. The Company uses a variety of shipment terms with customers across its operating markets which has an impact on the timing of revenue recognition. Given the nature of industry in which the Company operates and given the fact that the Company ascertainment of timing of revenue recognition, is a key audit consideration for sales transactions occurring at or near to the year end.</p> <p>Refer note 2.8 and note 20 of the Consolidated Financial Statements.</p>	<p>Our audit procedures included but not limited to:</p> <ul style="list-style-type: none"> <li>- We obtained inco-terms and confirmed our understanding of the Company's sales process from initiation to collection of receivables, including design and implementation of controls and tested the operating effectiveness of these controls.</li> <li>- We read and understood the Company's accounting policy for recognition of revenue for each stream as per "Ind AS 115".</li> <li>- We performed transactions testing based on a representative sampling of the sales orders to assess revenue recognition and recognition of trade receivables including transactions occurring at or near the year end.</li> <li>- We performed cut off testing for sales made near the reporting date and tested whether the revenue was recognized in the appropriate period by testing shipping records and sales invoices for sample transactions and tested the management assessment involved in this process, wherever applicable.</li> <li>- Performed reconciliation of revenue with GST returns filed with the Government.</li> <li>- We have relied on the work performed by the independent auditors of the respective subsidiary or step down subsidiary in this regard of which statutory audit has been conducted by other auditors and whose reports have been submitted to us by the management of the Company.</li> </ul>

b. Trade Receivables - See note 8, note 41, note 42 and note 43 to the consolidated financial statements

Key Audit Matter	How the matter was addressed in our audit
<p>Refer to note 8 on trade receivables and Note 41 for hedging, note 43 for disclosures on fair value of the trade receivables and note 42 the related risks such as credit risk. The Company's major revenue arises from sales provided to manufacturers of OEM and other customers in domestic and overseas market. The trade receivables are typically unsecured. The collectability of trade receivables is a key element of the Company's working capital management. In events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.</p>	<p>Our audit procedures included but not limited to:</p> <p>We assessed the Company's processes and controls relating to the monitoring of trade receivables and considered ageing to identify collection risks. We assessed management's assumptions used to calculate the impairment loss on trade receivables, through analyses of ageing of receivables, assessment of significant overdue trade receivables. We assessed the adequacy of the disclosures on the trade receivables, hedging, fair value and the related risks such as credit risk in note 8, note 41, note 43 and note 42.</p> <p>We have relied on the work performed by the independent auditors of the respective subsidiary or step down subsidiary in this regard of which statutory audit has been conducted by other auditors and whose reports have been submitted to us by the management of the Company.</p>

## **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, 2023. We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matters

We did not audit the financial statements and other financial information, in respect of subsidiaries listed in Appendix II, whose financial statements include total assets of ₹5,271.72 million as at March 31, 2023, and total revenues of ₹7,442.00 million and net cash inflows of ₹6.51 million 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.

The comparative financial information of the Company for the year ended 31st March 2022 included in these Consolidated Financial Statements, are based on the previously issued statutory financial statements prepared in accordance 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") audited by previous auditors and report for the year ended 31st March 2022 dated 22th June, 2022 expressed an unmodified opinion on these consolidated financial statements.

Our opinion is not modified in respect of these matters.

## 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, 2023 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting 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, 2023 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 31 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, 2023.
  - 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) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
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, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

(S.C. Varma)  
Partner  
M. No.: 011450  
UDIN: 23011450BGTUCQ4082

Place: New Delhi  
Date: 25-May-23

## Annexure - A to the Independent 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 31st March, 2023 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 31st March, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### 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 S.C.Varma and Co.  
Chartered Accountants  
Firm Registration No: 000533N

(S.C. Varma)  
Partner  
M. No.: 011450  
UDIN: 23011450BGTUCQ4082

Place: New Delhi  
Date: 25-May-23

## Appendix –I

Appendix appended to Independent Auditors' Report for the financial year 2022-23 List of subsidiary:

S. No.	Name of the Company	Country of Incorporation	% of Holding as at the year end 31 March, 2023	Subsidiary/ Step down subsidiary
1	Gripwel Fasteners Pvt. Ltd.	India	100%	Subsidiary
2	Gripwel Conag Pvt. Ltd.	India	100%	Subsidiary
3	Uniparts USA Ltd.	U.S.A	100%	Subsidiary
4	Uniparts India GmbH	Germany	100%	Subsidiary
5	Uniparts Olsen Inc.*	U.S.A	100%	Step down subsidiary

\*held through Uniparts USA Ltd.

## Appendix-II

Appendix appended to Independent Auditors' Report for the financial year 2022-23:

S. No.	Name of Subsidiary/step down subsidiary	Name of Auditor for the financial year ended March 31, 2023
1	Uniparts USA Ltd.	KNAV P.A.
2	Uniparts Olsen Inc.*	KNAV P.A.
3	Uniparts India GmbH	dhpG Dr. Harzem & Partner mbB

\* held through Uniparts USA Ltd.



# Balance Sheet

As at 31st March, 2023

(₹ in millions)

	Notes	As at 31st March 2023	As at 31st March 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	2,036.94	2,062.22
Right-of-Use Assets	3	655.60	531.84
Capital work-in-progress	3	71.27	21.97
Goodwill		659.99	617.89
Other intangible assets	3	16.02	35.19
Intangible assets under development	3	1.41	-
Financial assets			
Other financial assets	4	62.10	47.08
Income tax assets (Net)		59.22	148.42
Other assets	5	32.62	26.12
<b>Total non-current assets</b>		<b>3,595.17</b>	<b>3,490.73</b>
<b>CURRENT ASSETS</b>			
Inventories	6	4,530.28	4,419.45
Financial assets			
Investments	7	250.17	-
Trade receivables	8	1,553.34	1,942.34
Cash and cash equivalents	9	386.44	139.95
Other balances with banks	9	0.33	-
Derivative instruments		-	35.62
Loans	10	3.84	3.00
Other financial assets	4	33.16	0.78
Other assets	5	220.78	279.96
<b>Total current assets</b>		<b>6,978.34</b>	<b>6,821.10</b>
<b>Total assets</b>		<b>10,573.51</b>	<b>10,311.83</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	446.20	446.20
Other equity	12	7,860.04	6,406.17
<b>Total equity</b>		<b>8,306.24</b>	<b>6,852.37</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	93.87	48.61
Lease liabilities	14	359.75	234.13
Provisions	15	164.47	167.27
Deferred tax liabilities (Net)	16	228.86	247.88
Other liabilities	17	10.62	10.24
<b>Total non-current liabilities</b>		<b>857.57</b>	<b>708.13</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	13	80.70	1,224.12
Lease liabilities	14	75.76	72.43
Derivative instruments		19.40	-
Trade payables due to:	18		
Micro and small enterprises		289.74	364.05
Other than micro and small enterprises		414.99	531.78
Other financial liabilities	19	76.38	-
Other liabilities	17	296.51	336.64
Provisions	15	63.01	54.73
Current tax payable		93.21	167.58
<b>Total current liabilities</b>		<b>1,409.70</b>	<b>2,751.33</b>
<b>Total equity and liabilities</b>		<b>10,573.51</b>	<b>10,311.83</b>
Significant accounting policies	1 & 2		
See accompanying Notes to 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

Place : New Delhi  
Dated: 25th May, 2023

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

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

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

Rohit Maheshwari  
(Chief Financial Officer)  
[FCA: 093127]

Jatin Mahajan  
(Company Secretary)  
[FCS: 6887]

# Statement of Profit and Loss

For the year ended 31st March, 2023

(₹ in millions)

	Notes	As at 31st March 2023	As at 31st March 2022
<b>INCOME</b>			
Revenue from operations	20	13,660.21	12,274.24
Other income	21	162.23	36.15
<b>Total Income</b>		<b>13,822.44</b>	<b>12,310.39</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	4,966.79	5,012.64
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	23	(91.47)	(997.01)
Employee benefits expense	24	2,396.45	2,196.85
Finance costs	25	59.73	56.99
Depreciation and amortization expenses	26	390.28	366.48
Other expenses	27	3,418.34	3,381.28
<b>Total expenses</b>		<b>11,140.12</b>	<b>10,017.23</b>
<b>Profit before tax</b>		<b>2,682.32</b>	<b>2,293.16</b>
<b>TAX EXPENSES</b>			
Current tax	28	661.17	654.95
Earlier years		(5.23)	(18.93)
Deferred tax		(22.55)	(30.66)
<b>Total tax expenses</b>		<b>633.39</b>	<b>605.36</b>
<b>Profit for the year</b>		<b>2,048.93</b>	<b>1,687.80</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss			
Re-measurement gains / (losses) of defined benefit plans		16.61	(13.80)
Income tax effect		(4.18)	3.47
		<b>12.43</b>	<b>(10.33)</b>
Items that will be reclassified to Profit or Loss			
Effective portion of cash flow hedge		(55.02)	0.24
Exchange differences in translating the financial statements of foreign operations		(82.39)	(23.82)
Income tax effect		13.85	(0.06)
		<b>(123.56)</b>	<b>(23.64)</b>
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(111.13)</b>	<b>(33.97)</b>
<b>Total comprehensive income for the year</b>		<b>1,937.80</b>	<b>1,653.83</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF H10 EACH</b>			
Basic (In ₹)	29	46.32	38.17
Diluted (In ₹)		45.40	37.40
Significant accounting policies	1 & 2		
See accompanying Notes to 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

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Jatin Mahajan**

(Company Secretary)

[FCS: 6887]

Place : New Delhi

Dated: 25th May, 2023

For and on behalf of Board of Directors of

**Uniparts India Limited**



## Statement of Cash Flow For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	2,682.32	2,293.16
<b>Adjustments for:</b>		
Depreciation and amortization expenses	390.28	366.48
Interest expenses	33.05	31.11
Interest income	(13.62)	(8.75)
Deferred tax	(9.36)	(34.15)
Interest on lease liabilities	14.65	15.34
Expense on employee stock option scheme	2.83	8.93
Amount received to Uniparts Employees Stock Option Plan (ESOP) Trust	9.26	12.00
(Profit) / loss on sale of property, plant and equipment	8.55	1.31
Unrealised foreign exchange (gain)/ loss	17.27	(21.39)
Exchange difference on translation of assets and liabilities	(125.14)	(74.52)
<b>Operating profit before working capital changes</b>	<b>3,010.09</b>	<b>2,589.52</b>
<b>Adjustments for changes in working capital :</b>		
Increase/(decrease) in loans	(0.84)	0.44
(Increase)/decrease in other financial assets (non-current)	(15.02)	(2.58)
(Increase)/decrease in other non-current assets	(6.50)	(3.81)
(Increase)/decrease in inventories	(110.86)	(1,028.65)
(Increase)/decrease in trade receivables	371.75	(246.08)
(Increase)/decrease in other financial assets (current)	(32.38)	(0.45)
(Increase)/decrease in current tax assets (net)	89.19	(35.70)
(Increase)/decrease in other current assets	59.19	0.13
Increase/(decrease) in provisions (non-current)	13.82	(2.65)
Increase/(decrease) in other non-current liabilities	0.38	0.93
Increase/(decrease) in trade payables	(190.66)	(5.09)
Increase/(decrease) in other financial liabilities	76.38	-
Increase/(decrease) in other current liabilities	(37.55)	71.71
Increase/(decrease) in current tax liabilities	(74.37)	116.33
Increase/(decrease) in provisions (current)	8.28	0.01
<b>Cash generated from/(used in) operations</b>	<b>3,160.90</b>	<b>1,454.06</b>
Income tax (paid) / refunds	(633.39)	(605.36)
<b>Net cash flow from/ (used in) operating activities (a)</b>	<b>2,527.51</b>	<b>848.70</b>
<b>B. Cash flow from investing activities:</b>		
Payments for purchase of property, plant and equipment and capital work in progress	(315.13)	(347.55)
Payments for purchase of intangible assets	(2.58)	(3.33)
Proceeds from sale of property, plant and equipment	18.13	4.12
Sale / (Purchase) of current investments (net)	(250.17)	12.50
Interest received	13.62	8.75
<b>Net cash flow from/ (used in) investing activities (b)</b>	<b>(536.13)</b>	<b>(325.51)</b>

## Statement of Cash Flow For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) from short term borrowings	(1,143.88)	3.99
Interest on lease liabilities	(14.65)	(15.34)
Payment of Lease Liabilities	(66.76)	(37.32)
Repayment of long term borrowings	(20.81)	(8.57)
Proceeds from long term borrowings	66.07	-
Interest paid	(33.05)	(31.11)
Payment of dividend on equity shares	(539.40)	(404.88)
<b>Net cash flow from/ (used in) financing activities (c)</b>	<b>(1,752.48)</b>	<b>(493.23)</b>
<b>Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>238.90</b>	<b>29.96</b>
<b>Opening balance of cash and cash equivalents</b>	<b>139.95</b>	<b>108.18</b>
<b>Net increase/(decrease) in temporary overdraft</b>	<b>(2.56)</b>	<b>(5.80)</b>
<b>Effects of exchange difference on cash and cash equivalent held in foreign currency</b>	<b>10.47</b>	<b>7.61</b>
<b>Closing balance of cash and cash equivalents [Refer Note 9]</b>	<b>386.76</b>	<b>139.95</b>
<b>Cash and cash equivalents comprises :</b>		
Cash in hand	0.98	1.11
Balances with banks	385.46	138.84
Other bank balances	0.32	-

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:-

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Opening balance</b>	<b>1,272.73</b>	<b>1,277.76</b>
<b>Non cash movement</b>		
<b>Exchange (Gain)/Loss</b>	<b>0.46</b>	<b>(0.45)</b>
Interest Cost	33.05	31.11
<b>Cash movement</b>		
Principal repayment of long term borrowings	(20.81)	(8.57)
Proceeds from long term borrowings	66.07	-
Net short term Borrowing	(1,143.88)	3.99
Interest Payment	(33.05)	(31.11)
<b>Closing balance</b>	<b>174.57</b>	<b>1,272.73</b>

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

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

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]

Place : New Delhi

Dated: 25th May, 2023



## Statement of Changes in Equity For the period ended 31st March, 2023

### A. EQUITY SHARE CAPITAL

(₹ in millions)

	Amount
Balance at 1st April, 2021	451.34
Change during the year 2021-22	-
Balance at 1st April, 2022	451.34
Change during the year 2022-23	-
Balance at 31st March, 2023	451.34

### B. OTHER EQUITY

(₹ in millions)

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, 2022	845.99	12.05	6,367.66	30.00	40.52	(879.01)	25.21	6,442.42
Profit for the year	-	-	2,048.93	-	-	-	-	2,048.93
Other comprehensive income for the year	-	-	12.43	-	-	(82.39)	(41.18)	(111.14)
Total comprehensive income for the year	845.99	12.05	8,429.02	30.00	40.52	(961.40)	(15.97)	8,380.21
Payment of dividend on equity shares	-	-	(539.40)	-	-	-	-	(539.40)
Liquidation of Subsidiary	-	-	43.39	-	-	-	-	43.39
Transferred to the surplus/(deficit) in the statement of Profit and Loss	-	-	-	(30.00)	-	-	-	(30.00)
Transfer from special economic zone re-investment reserve	-	-	30.00	-	-	-	-	30.00
Amount recongised during the year	37.28	-	-	-	(37.28)	-	-	-
ESOP granted during the year	-	-	-	-	2.83	-	-	2.83
	883.27	12.05	7,963.01	-	6.07	(961.40)	(15.97)	7,887.03
Amount recoverable from uniparts employees stock option	(26.99)	-	-	-	-	-	-	(26.99)
Balance as at 31st March, 2023	856.28	12.05	7,963.01	-	6.07	(961.40)	(15.97)	7,860.04

## Statement of Changes in Equity For the period ended 31st March, 2023

(₹ in millions)

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
Payment of dividend on equity shares	-	-	(404.88)	-	-	-	-	(404.88)
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 reconginsed during the year	8.43	-	-	-	(8.43)	-	-	-
ESOP granted during the year	-	-	-	-	8.93	-	-	8.93
	845.99	12.05	6,367.66	30.00	40.52	(879.01)	25.21	6,442.42
Amount recoverable from uniparts employees stock option	(36.25)	-	-	-	-	-	-	(36.25)
<b>Balance as at 31st March, 2022</b>	<b>809.74</b>	<b>12.05</b>	<b>6,367.66</b>	<b>30.00</b>	<b>40.52</b>	<b>(879.01)</b>	<b>25.21</b>	<b>6,406.17</b>

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

Place : New Delhi

Dated: 25th May, 2023

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

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Jatin Mahajan**

(Company Secretary)

[FCS: 6887]



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 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 31st March 2023. The Company is a company (limited by shares) incorporated under the provisions of Companies Act, 1956. The Company is domiciled in India having its registered office at Gripwel House, Block-5, C6 & 7, Vasant Kunj, New Delhi 110070, India. The Group is engaged into manufacturing, sales and export of linkage parts and components for Off - Highway Vehicles. Information on other related party relationships of the Group is provided in Note 36.

The Group caters to both domestic and international markets. The Company's CIN is L74899DL1994PLC061753.

## 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, 2023 and March 31 2022. 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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in the statement of profit and loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquirer are assigned to those units.

## 2.4) Current versus non-current classification

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

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

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

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

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

The Group identifies its operating cycle as twelve months.

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

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

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

### Intangible Assets

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





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Useful life of depreciable Assets

Management reviews the useful life of depreciable assets at each reporting date. As at March 31, 2023 management assessed that the useful life represents the expected utility of the assets by the Group. Further there is no significant change in useful life as compared to the previous year.

## Impairment of non-financial assets

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

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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

## Impairment of financial assets

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

## Defined benefit plans

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 33

## 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 43 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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Initial Recognition and measurement

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

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

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

## Subsequent measurement

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

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

### (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.



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Fair value measurement of financial instruments

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

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

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

## Derecognition of financial instrument

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

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

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

## 2.7) Inventories

### Inventories are valued as below:

- (i) Raw Materials, Packing Materials and Consumable Stores & Spares are valued at cost computed on FIFO method.
- (ii) Work-in-progress are valued at materials cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.
- (iii) Finished Goods 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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

The determination of transaction price, its allocation to promised goods and allocation of discount or variable compensation (if any) is done based on the contract with the customers.

The incremental costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained are recognised as an asset if its recovery is expected and its amortisation period is more than one year, all other such costs are recognised as an expense in Consolidated statement of profit and loss. The incremental cost recognised as an asset is amortised over the period till when such cost is expected to be recovered. Amount so recovered is recognised as revenue in Consolidated statement of profit and loss. "

## Export incentives

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

Die design and preparation charges

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

## Interest income

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

## Dividends

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

Insurance and other claims

Insurance and other claims are recognised as revenue only when it is reasonably certain that the ultimate collection will be made.

## 2.9) Government grants

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

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

## 2.10) Property, Plant & Equipment

### Tangible Assets

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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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.

### 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."

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 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).

### (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



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

Contingent rents payments are recognised as an expense in the period in which they are incurred. Lease payments generally include fixed payments and variable payments that depend on an index (such as an inflation index). When the lease contains an extension or purchase option that the Group considers reasonably certain to be exercised, the cost of the option is included in the lease payments.

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

## (iii) Group as a lessor

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

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

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

## 2.15) Taxation

### a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### 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



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

Black-Scholes method) to account for compensation expenses arising from issuance of stock options to the employees and has recognized the services received in an equity-settled employee share-based payment plan as an expense when it receives the services, with a corresponding credit to Stock Options Outstanding Account. Further, employees compensation cost recognized earlier on grant of options is reversed in the year when the Options are surrendered by the employee.

## 2.17) Borrowings & Borrowing Costs

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

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

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

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

## 2.18) Impairment of Assets

### Non-financial assets

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

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

### Financial assets

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

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

## 2.19) Cash and Cash Equivalents

Cash and cash equivalents includes cash and cheques in hand, current accounts and fixed deposit accounts with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 2.20) Cash Flow Statement

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

## 2.21) Provisions and Contingencies

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

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

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

## 2.22) Derivative financial instruments and hedge accounting

### Cash Flow Hedge:

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

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

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

## 2.23) Dividend to equity holders of the Group

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

## 2.24) Segment reporting

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

## 2.25) Earnings Per Share

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Description	Gross Block				Depreciation/Amortisation and Depletion				Net Block		
	As at 1st April 2022	Exchange diff	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March 2023	As at 1st April 2022	Exchange diff	For the year	Deductions/ Adjustments	As at 31st March 2023	As at 31st March 2022
<b>Property, plant and equipment</b>											
<b>Own Assets:</b>											
Land	34.33	-	-	-	34.33	-	-	-	-	34.33	34.33
Buildings	851.17	1.46	12.91	8.91	856.63	274.19	1.10	27.35	7.75	561.74	576.98
Plant & Machinery	3,436.70	69.23	211.76	352.72	3,364.97	2,090.99	55.98	224.79	334.33	1,327.54	1,345.71
Furniture & fixtures	52.22	0.21	4.13	0.06	56.50	39.76	0.20	1.95	0.06	14.65	12.46
Vehicles	83.63	2.16	7.00	17.04	75.75	43.86	1.89	7.79	12.44	34.65	39.77
Office Equipments	136.98	5.71	10.08	33.28	119.49	112.72	5.50	9.22	33.96	26.01	24.26
Computers	146.93	1.72	19.94	5.27	163.32	118.22	1.43	10.66	5.01	58.02	28.71
<b>Sub total</b>	<b>4,741.96</b>	<b>80.49</b>	<b>265.82</b>	<b>417.28</b>	<b>4,670.99</b>	<b>2,679.74</b>	<b>66.10</b>	<b>281.76</b>	<b>393.55</b>	<b>2,036.94</b>	<b>2,062.22</b>
<b>Right-of-Use Assets:</b>											
Land	291.10	-	-	-	291.10	32.75	-	6.55	-	251.80	258.35
Buildings	426.26	25.35	191.04	44.23	598.42	184.97	9.48	67.73	44.23	380.47	241.29
Plant and Machinery	25.56	1.94	0.43	-	27.93	4.61	0.30	7.95	-	15.07	20.95
Vehicles	24.52	1.30	4.23	4.47	25.58	13.59	0.78	5.52	2.46	8.15	10.93
Computer	0.66	0.04	-	-	0.70	0.34	0.02	0.23	-	0.11	0.32
<b>Sub total</b>	<b>768.10</b>	<b>28.63</b>	<b>195.70</b>	<b>48.70</b>	<b>943.73</b>	<b>236.26</b>	<b>10.58</b>	<b>87.98</b>	<b>46.69</b>	<b>685.60</b>	<b>531.84</b>
<b>Total (A)</b>	<b>5,510.06</b>	<b>109.12</b>	<b>461.52</b>	<b>465.98</b>	<b>5,614.72</b>	<b>2,916.00</b>	<b>76.68</b>	<b>369.74</b>	<b>440.24</b>	<b>2,692.54</b>	<b>2,594.06</b>
<b>Other intangible assets</b>											
Software	196.83	3.82	1.17	0.93	200.89	161.64	2.69	20.54	-	16.02	35.19
<b>Total (B)</b>	<b>196.83</b>	<b>3.82</b>	<b>1.17</b>	<b>0.93</b>	<b>200.89</b>	<b>161.64</b>	<b>2.69</b>	<b>20.54</b>	<b>-</b>	<b>16.02</b>	<b>35.19</b>
<b>Total (A+B)</b>	<b>5,706.89</b>	<b>112.94</b>	<b>462.69</b>	<b>466.91</b>	<b>5,815.61</b>	<b>3,077.64</b>	<b>79.37</b>	<b>390.28</b>	<b>440.24</b>	<b>2,708.56</b>	<b>2,629.25</b>
<b>Previous Year</b>	<b>5,338.61</b>	<b>46.56</b>	<b>351.80</b>	<b>30.08</b>	<b>5,706.89</b>	<b>2,704.47</b>	<b>31.33</b>	<b>366.48</b>	<b>24.64</b>	<b>2,629.25</b>	<b>2,634.14</b>
Capital work-in-progress										71.27	21.97
Intangible assets under development										1.41	-

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 3.1) For Assets given as security - Refer Note 13

### 3.2) Ageing of Capital work in progress(CWIP):

As at 31st March 2023

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	68.78	2.49	-	-	71.27
<b>Total</b>	<b>68.78</b>	<b>2.49</b>	<b>-</b>	<b>-</b>	<b>71.27</b>

As at 31st March 2022

Description	less than 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>

### 3.3) Intangible assets under development:

As at 31st March 2023

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in progress	1.41	-	-	-	1.41
<b>Total</b>	<b>1.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.41</b>

## 4. OTHER FINANCIAL ASSETS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Security deposits	62.01	46.94
Deposits with original maturity of more than twelve months	0.09	0.14
<b>Total</b>	<b>62.10</b>	<b>47.08</b>
<b>Current</b>		
Security deposits	30.00	-
Interest accrued but not due	3.16	0.78
<b>Total</b>	<b>33.16</b>	<b>0.78</b>





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 5. OTHER ASSETS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current (Unsecured, considered good)</b>		
Capital advances	32.62	25.27
Pre-Operative Expenses pending allocation	-	0.85
<b>Total</b>	<b>33.62</b>	<b>26.12</b>
<b>Current (Unsecured, considered good)</b>		
Advances to suppliers [Refer Note 5.1]	32.14	19.36
Balance with customs, central excise, GST and state authorities	108.38	137.77
Government grant - export incentives receivable	24.14	43.86
Prepaid expenses	52.76	43.39
Advance payments, other recoverable in cash or in kind-or for value to be received	2.37	7.57
Advance rent	0.99	2.90
Fund raising expenses	-	25.11
<b>Total</b>	<b>220.78</b>	<b>279.96</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.

## 6. INVENTORIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Raw materials (including materials in transit)	529.51	521.93
Work-in-progress	803.12	808.87
Finished goods (including goods at port)	2,998.58	2,908.06
Stores and spares (including materials in transit)	359.23	341.59
Scrap	5.33	7.56
	4,695.77	4,588.01
Less: Provision for obsolescence	165.49	168.56
<b>Total</b>	<b>4,530.28</b>	<b>4,419.45</b>

## 7. INVESTMENTS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Current		
Quoted Funds (Liquid Mutual Funds) (measured at FVTPL)	250.17	-
<b>Total</b>	<b>250.17</b>	<b>-</b>

Aggregate amount of quoted investments - At cost ₹250.00 millions (Previous year ₹ Nil)

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 8. TRADE RECEIVABLES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current (secured, considered good)</b>		
Trade receivables	-	10.54
<b>Current (Unsecured, considered good)</b>		
Trade receivables	1,553.34	1,931.80
Credit Impaired	1.28	1.25
	1,554.62	1,933.05
<b>Impairment allowance (bad and doubtful debts)</b>		
Expected credit loss	(1.28)	(1.25)
<b>Total</b>	<b>1,553</b>	<b>1,942</b>

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

### 8.2 Trade Receivables ageing schedule

Outstanding for following periods from due date of payments

As at 31st March 2023

(₹ in millions)

Description	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,550.06	0.36	2.80	0.13	1.27	1,554.62
(ii) Undisputed Trade receivables – credit impaired	0.33	-	-	-	-	0.33
(iii) Disputed Trade receivables – credit impaired	-	-	-	-	0.95	0.95

### 8.3 Trade Receivables ageing schedule

Outstanding for following periods from due date of payments

As at 31st March 2022

(₹ in millions)

Description	Less than 6 month	6 month- 1 years	1-2 years	2-3 years	More than 3 years	Total
(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



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 9. CASH AND CASH EQUIVALENTS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Cash on hand	0.98	1.11
<b>Balances with banks:</b>		
In cash credit and current accounts	317.07	137.68
In EEFC accounts	0.55	0.09
In IPO escrow accounts*	66.26	-
Deposits with original maturity of less than three months	1.05	1.07
Cheque in transit	0.53	-
<b>Total</b>	<b>386.44</b>	<b>139.95</b>
<b>Other bank balances</b>		
Unipaid dividend**	0.01	-
Deposits with original maturity of less than twelve months	0.32	-
<b>Total</b>	<b>0.33</b>	<b>-</b>

\* Amount held on behalf of selling shareholders who were part of the offer for sale on listing of the Company. This balance is restricted cash and cash equivalents which are not available with the Company for its normal operating, investing and financing activities.

\*\* The Company can utilise these balances only towards settlement of unclaimed dividend.

## 10. LOANS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Current (Unsecured, considered good)</b>		
Loans to employees	3.84	3.00
<b>Total</b>	<b>3.84</b>	<b>3.00</b>

### Break up of financial assets carried at amortised cost

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Other financial assets [Refer Note 4]	95.26	47.86
Trade receivables [Refer Note 8]	1,553.34	1,942.34
Cash and cash equivalents [Refer Note 9]	386.44	139.95
Other bank balances [Refer Note 9]	0.32	-
Loans [Refer Note 10]	3.84	3.00
<b>Total</b>	<b>2,039.20</b>	<b>2,133.15</b>

### Break up of financial assets carried at fair value through OCI

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Derivative instruments	-	35.62
<b>Total</b>	<b>-</b>	<b>35.62</b>

### Break up of financial assets carried at fair value through PL

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Investments [Refer Note 7]	250.17	-
<b>Total</b>	<b>250.17</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 11. SHARE CAPITAL

(₹ in millions)

Particular	As at	As at
	31st March 2023	31st March 2022
AUTHORISED		
6,00,00,000 (March 31, 2022 : 6,00,00,000) equity shares of ₹10 each	600.00	600.00
ISSUED, SUBSCRIBED AND PAID-UP		
4,51,33,758 (March 31, 2022 : 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:

(₹ in millions)

Particular	As at		As at	
	31st March 2023		31st March 2022	
	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
<b>At the end of the year</b>	<b>4,51,33,758</b>	<b>451.34</b>	<b>4,51,33,758</b>	<b>451.34</b>

### 11.2 Terms/ rights attached to equity shares

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

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

#### Name of the Shareholder

(₹ in millions)

Particular	As at		As at	
	31st March 2023		31st March 2022	
	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 Limited	-	0.00%	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)	41,00,000	9.08%	52,00,000	11.52%
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	41,00,000	9.08%	52,00,000	11.52%
Pamela Soni	8,00,000	1.77%	30,00,000	6.65%
<b>Equity Shares at the end of the year</b>	<b>2,43,90,180</b>	<b>54.04%</b>	<b>3,59,70,822</b>	<b>79.70%</b>



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	As at 31st March 2023		As at 31st March 2022		% 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	8,00,000	1.77%	30,00,000	6.65%	-4.87%
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)	41,00,000	9.08%	52,00,000	11.52%	-2.44%
The Meher Soni 2018 CG-NG Nevada Trust (through Peak Trust Company-NV)	41,00,000	9.08%	52,00,000	11.52%	-2.44%
Jaswinder Singh Bhogal	1,02,948	0.23%	1,02,948	0.23%	-

## 12. OTHER EQUITY

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>SECURITIES PREMIUM [Refer note 12.1]</b>		
As per last Balance Sheet	845.99	837.56
Add: Amount recognised during the year	37.28	8.43
	<b>883.27</b>	<b>845.99</b>
Less: Amount recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	26.99	36.25
	<b>856.28</b>	<b>809.74</b>
<b>EMPLOYEES STOCK OPTIONS OUTSTANDING [Refer note 12.2]</b>		
As per last Balance Sheet	40.52	40.02
Add: Compensation for the year [Refer Note 23]	2.83	8.93
Less: Transfer to Securities premium	37.28	8.43
	<b>6.07</b>	<b>40.52</b>
<b>FOREIGN CURRENCY TRANSLATION RESERVE</b>		
As per last Balance Sheet	(879.01)	(855.19)
Add: Transfer during the year	(82.39)	(23.82)
	<b>(961.40)</b>	<b>(879.01)</b>
<b>CASH FLOW HEDGE RESERVE</b>		
As per last Balance Sheet	25.21	25.03
Add: Arising during the year	(41.18)	0.18
	<b>(15.97)</b>	<b>25.21</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>

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 12. OTHER EQUITY

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>SPECIAL ECONOMIC ZONE RE-INVESTMENT RESERVE</b>		
Balance at the beginning	30.00	60.87
Add: Arising during the year	-	30.00
Less: Adjusted during the year	-	48.89
Less: Transferred to the surplus/(deficit) in the statement of Profit and Loss	30.00	11.98
	-	<b>30.00</b>
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</b>		
As per last Balance Sheet	6,367.66	5,064.20
Add: Profit for the year	2,048.93	1,687.80
Add: Transfer from Special Economic Zone re-investment reserve	30.00	60.87
Add: Other Comprehensive Income:		
Re-measurement of defined benefit obligations (net of tax)	12.43	(10.33)
	<b>8,459.02</b>	<b>6,802.54</b>
Less: Appropriations		
Payment of dividend on equity shares	539.40	404.88
Liquidation of Subsidiary	(43.39)	-
Transfer to Special Economic Zone re-investment reserve	-	30.00
	<b>496.01</b>	<b>434.88</b>
	<b>7,963.01</b>	<b>6,367.66</b>
<b>Total</b>	<b>7,860.04</b>	<b>6,406.17</b>

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

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Cash dividends on equity shares declared and paid:</b>		
<b>Final cash dividend</b>		
For the year ended on March 31, 2022 ₹ Nil per share (March 31, 2021 : ₹3.30 per share)	-	148.94
<b>Interim cash dividend</b>		
For the year ended on March 31, 2022 ₹3.60 per share (March 31, 2021 : ₹ Nil per share)	162.48	
For the year ended on March 31, 2023 ₹8.25 per share (March 31, 2022 : ₹5.60 per share)	372.35	252.75
<b>Proposed dividend on equity shares :</b>		
<b>Interim Dividend</b>		
For the year ended on March 31, 2023 ₹ Nil per share (March 31, 2022 : ₹3.60 per share)	270.80	162.48
<b>Total Dividend</b>	<b>270.80</b>	<b>162.48</b>

The Board of Directors of the Company at its meeting held on 25th May, 2023, has declared Second interim Dividend of ₹6.00/- per share on Equity Share of ₹10 each for the financial Year 2022-23. The same will be payable to those shareholders who hold the equity shares of the Company on the record date i.e. 07 June, 2023. This alongwith first interim dividend of ₹8.25/- per share, works out to a total dividend of ₹14.25/- per share for the year 2022-23.

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 General reserve and Retained earnings is to be utilised for General purpose.





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 13. BORROWINGS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current borrowings</b>		
Foreign currency term loans from bank (secured) [Refer Note 13.4]	31.88	48.48
Other foreign currency loans (secured)[Refer Note 13.3]	-	0.13
Rupee term loans from bank (secured) [Refer Note 13.2]	61.99	-
<b>Total</b>	<b>93.87</b>	<b>48.61</b>
<b>Current borrowings</b>		
<b>Current maturity of term loans from banks</b>		
Foreign currency term loans (secured) [Refer Note 13.3]	22.23	21.01
Rupee term loans (secured) [Refer Note 13.1, 13.2]	4.08	33.33
<b>Current maturity of term loans from others</b>		
Foreign currency term loans (secured)[Refer Note 13.3]	0.14	0.13
<b>Working capital loans from banks repayable on demand</b>		
<b>Foreign currency loans</b>		
Preshipment packing credit (secured) [Refer note 13.4]	-	878.75
Revolving Credit Facility/Lines of Credit [Refer note 13.5]*	54.25	290.90
<b>Total</b>	<b>80.70</b>	<b>1,224.12</b>

### Uniparts India Limited

#### 13.1 Rupee Term Loans:

##### From Citibank N.A.

**Balance outstanding ₹Nil (For March 31, 2022 ₹33.33 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.

### Gripwel Conag Private Limited

#### 13.2 Rupee Term Loans:

##### From DBS Bank

**Balance outstanding ₹66.07 million (For March 31, 2022 ₹Nil)**

Above loan is secured against (i) First and exclusive charge on the entire moveable fixed assets of the Borrower. (ii) Second charge on the entire current assets and book debts, present and future, of the borrower (iii) Corporate Guarantee of Uniparts India Limited.

Moratorium of 12 months from the date of drawdown and repayable in 48 equal monthly instalments along with fixed interest @ 8.65% ~ 8.95% p.a. on outstanding monthly balance.

### Uniparts USA Limited

#### 13.3 Foreign Currency Term Loans:

##### From BMW Financial Service NA LLC

**Balance outstanding ₹0.14 million (For March 31, 2022 ₹0.25 million)**

Above loan is secured by vehicle financed.

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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Uniparts Olsen Inc.

### 13.4 Foreign Currency Term Loans:

From JP Morgan Chase Bank, N.A.

Balance outstanding 54.11 million (For March 31, 2022 69.50 million)

Above loan is secured by (i) substantially all assets of the Uniparts Olsen Inc. 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

Revolving Credit Facility / Lines of Credit for US Subsidiaries are secured by substantially all the assets of subsidiaries (WOS) and step-down subsidiaries.

#### Rate of Interest

\* Ranges from SOFR+150 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.

## 14. LEASE LIABILITIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Lease liabilities	359.75	234.13
<b>Total</b>	<b>359.75</b>	<b>234.13</b>
<b>Current</b>		
Lease liabilities	75.76	72.43
<b>Total</b>	<b>75.76</b>	<b>72.43</b>

## 15. PROVISIONS

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Provision for gratuity [Refer Note 33]	143.07	142.92
Provision for leave entitlement [Refer Note 33]	21.40	24.35
<b>Total</b>	<b>164.47</b>	<b>167.27</b>
<b>Current</b>		
Provision for gratuity [Refer Note 33]	38.47	37.51
Provision for leave entitlement [Refer Note 33]	24.54	17.22
<b>Total</b>	<b>63.01</b>	<b>54.73</b>



## Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

### 16. DEFERRED TAX LIABILITIES (NET)

(₹ in millions)

Particular	As at	As at
	31st March 2023	31st March 2022
Deferred tax assets	103.95	75.58
Deferred tax liabilities	332.81	323.46
<b>Total</b>	<b>228.86</b>	<b>247.88</b>

#### Financial period 2022-23

	As at 31st March 2022	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	Others Including exchange difference	As at 31st March 2023
<b>Deferred tax assets</b>					
Expenses deductible in future years	59.50	(2.30)	(4.18)	-	53.02
Lease Liabilities	16.08	34.85	-	-	50.93
	<b>75.58</b>	<b>32.55</b>	<b>(4.18)</b>	<b>-</b>	<b>103.95</b>
<b>Deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible Assets	151.73	21.23	-	-	172.96
Fair valuation of Cash Flow Hedges	8.97	-	(13.85)	-	(4.88)
Unabsorbed Loss Carried forward	-	(0.67)	-	-	(0.67)
<b>On account of Overseas Subsidiaries</b>					
Deferred Tax Liabilities	162.76	(10.56)	-	13.19	165.39
	323.46	10.00	(13.85)	13.19	332.80
<b>Total</b>	<b>247.88</b>	<b>(22.55)</b>	<b>(9.67)</b>	<b>13.19</b>	<b>228.85</b>

#### Financial year 2021-22

	As at 31st March 2022	Recognised in Profit and Loss account	Recognised in Other Comprehensive Income	Others Including exchange difference	As at 31st March 2023
<b>Deferred tax assets</b>					
Expenses deductible in future years	50.23	5.80	3.47	-	59.50
Lease Liabilities	22.48	(6.40)	-	-	16.08
	<b>72.71</b>	<b>(0.60)</b>	<b>3.47</b>	<b>-</b>	<b>75.58</b>
<b>Deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible Assets	169.71	(17.98)	-	-	151.73
Fair valuation of cash flow hedges	8.91	-	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>

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 17. OTHER LIABILITIES

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Non-current</b>		
Deferred Rent	8.52	7.75
Deferred government grant [Refer Note 17.1]	2.10	2.49
<b>Total</b>	<b>10.62</b>	<b>10.24</b>
<b>Current</b>		
Trade deposits and advances [Refer Note 17.2]	2.46	1.95
Provision for expenses	101.62	119.50
Employee benefits payable	122.99	136.75
Temporary overdraft from banks	0.34	2.93
Statutory dues payable	68.84	75.25
Deferred government grant[Refer Note 17.1]	0.26	0.26
<b>Total</b>	<b>296.51</b>	<b>336.64</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.

## 18. TRADE PAYABLES DUE TO

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Micro and small enterprise [Refer Note 36]	289.74	364.05
Other than micro and small enterprise	414.99	531.78
<b>Total</b>	<b>704.73</b>	<b>895.83</b>

### As at 31st March 2023

#### Trade Payable ageing schedule

(₹ in millions)

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Micro and small enterprise [Refer Note 36]	289.74	-	-	-	289.74
Other than micro and small enterprise	412.53	0.90	0.15	1.41	414.99
<b>Total</b>	<b>702.27</b>	<b>0.90</b>	<b>0.15</b>	<b>1.41</b>	<b>704.73</b>

### As at 31st March 2022

#### Trade Payable ageing schedule

(₹ in millions)

Description	less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and small enterprise	364.05	-	-	-	364.05
(ii) Other than micro and small enterprise	503.52	22.15	0.04	6.07	531.78
<b>Total</b>	<b>867.57</b>	<b>22.15</b>	<b>0.04</b>	<b>6.07</b>	<b>895.83</b>



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 19. Other financial liabilities

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Payable towards share issue expenses (Net)	76.37	-
Unpaid dividend	0.01	-
<b>Total</b>	<b>76.38</b>	<b>-</b>

## Break up of financial liabilities carried at amortised cost

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Non-current borrowings [Refer Note 13]	93.87	48.61
Current borrowings [Refer Note 13]	80.70	1,224.12
Lease liabilities [Refer Note 14]	435.51	306.56
Trade payables [Refer Note 18]	704.73	895.83
Other financial liabilities [Refer Note 19]	76.37	-
<b>Total</b>	<b>1,391.18</b>	<b>2,475.12</b>

## Break up of financial liability carried at fair value through OCI

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Derivative instruments	19.40	-
<b>Total</b>	<b>19.40</b>	<b>-</b>

## 20 REVENUE FROM OPERATIONS

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Sale of products</b>		
Finished goods (Net of returns, rebate etc.) [Refer Note 35]	13,126.28	11,767.75
Scrap	437.73	427.91
	<b>13,564.01</b>	<b>12,195.66</b>
<b>Other operating revenues</b>		
Export incentives	87.62	69.81
Amortisation of deferred govt grants	0.39	0.39
Revenue from Consignment sales	8.19	8.38
	96.20	78.58
<b>Total</b>	<b>13,660.21</b>	<b>12,274.24</b>

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 21 OTHER INCOME

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Interest Income</b>		
Interest	13.62	8.75
Net gain on investments carried at fair value through profit and loss	3.95	0.75
<b>Others</b>		
Net gain on fair valuation of financial instruments (FVTPL)	0.17	-
Lease receipts	3.20	2.83
Insurance claim recoveries	1.44	0.02
Employee retention credit [Refer Note 45]	131.20	11.12
Miscellaneous receipts	8.65	12.68
<b>Total</b>	<b>162.23</b>	<b>36.15</b>

## 22 COST OF MATERIALS CONSUMED

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Inventories at the beginning of the year	479.83	488.40
Add: Purchases	4,967.54	5,004.07
Less: Inventories at the end of the year	480.58	479.83
<b>Cost of materials consumed</b>	<b>4,966.79</b>	<b>5,012.64</b>

## 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>(Increase)/decrease in stocks:</b>		
<b>Inventories at the end of the year</b>		
Finished goods	2,882.03	2,803.08
Work-in-progress	803.12	788.37
Scrap	5.33	7.56
	3,690.48	3,599.01
<b>Inventories at the beginning of the year</b>		
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
<b>Total</b>	<b>(91.47)</b>	<b>(997.01)</b>





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 24 EMPLOYEE BENEFITS EXPENSE

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and wages [Refer Note 33]	2,219.86	2,023.42
Contribution to provident and other funds	77.90	71.92
Expense on employee stock option scheme [Refer Note 34]	2.83	8.93
Staff welfare expenses	95.86	92.58
<b>Total</b>	<b>2,396.45</b>	<b>2,196.85</b>

## 25 FINANCE COSTS

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Interest	33.05	31.11
Interest on lease liabilities	14.65	15.34
<b>Other borrowing costs:</b>		
Bank charges	12.03	10.54
<b>Total</b>	<b>59.73</b>	<b>56.99</b>

## 26 DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation of tangible assets [Refer Note 3]	281.76	266.60
Depreciation of right-of-use of assets [Refer Note 3]	87.98	76.58
Amortization of other intangible assets [Refer Note 3]	20.54	23.30
<b>Total</b>	<b>390.28</b>	<b>366.48</b>

## 27 OTHER EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Stores, spares and tools consumed	733.47	735.66
Sub-contracting expenses	654.15	704.41
Power, fuel and water	509.52	477.30
Cartage, freight and forwarding	857.91	949.91
Air freight	65.68	91.30
Rent	48.19	43.36
Rates and taxes	39.18	27.64
Travelling and conveyance	34.13	15.24
Communication	15.02	13.46
Printing and stationery	8.65	7.77
Insurance	47.69	38.00

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Repairs and maintenance:</b>		
Building	50.34	43.32
Plant and machinery	153.44	141.75
Others	131.48	105.89
Office maintenance	27.18	25.38
Vehicle repairs and maintenance	7.77	10.12
Advertisement, publicity and sales promotion	11.20	5.89
Legal and professional charges	48.97	57.70
Directors sitting fees	2.99	1.05
Payment to auditors [Refer Note 27.1]	19.44	12.48
Exchange differences (net)	(83.75)	(146.67)
Bad debts	0.35	1.43
Staff recruitments	7.01	3.23
Loss/(profit) on sale of fixed assets (net)	8.55	1.31
Donation and charity	0.72	0.86
Contribution towards CSR	18.00	10.00
Miscellaneous	1.06	3.49
<b>Total</b>	<b>3,418.34</b>	<b>3,381.28</b>

## 27.1 Payment to Auditors

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>As Auditors:</b>		
Audit fees	13.92	11.96
Tax Audit fee	0.50	0.07
<b>In Other Capacity:</b>		
Other Capacity	3.87	-
Taxation Matters	0.30	0.04
Out of pocket expenses	0.85	0.41
<b>Total</b>	<b>19.44</b>	<b>12.48</b>

\* In addition to above ₹3.27 millions has been paid for the services related to Initial Public Offer (IPO) of the Company

## 28 TAX EXPENSES

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Current tax	661.17	654.95
Deferred tax	(22.55)	(30.66)
Tax for earlier years (net)	(5.23)	(18.93)
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>633.39</b>	<b>605.36</b>



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Accounting profit before tax from operations	2,682.32	2,293.16
Applicable Tax Rate	25.17%	25.17%
Income tax expense calculated at applicable tax rate	675.10	577.15
<b>Items giving rise to difference in tax</b>		
Exemption/Deduction u/s 10	-	(7.54)
Deductions u/s 80M	(115.09)	(75.76)
Expenses disallowed	25.96	24.03
Others	(3.47)	(9.02)
Differential Tax Rate under various jurisdiction for Subsidiaries Companies	78.67	146.09
<b>Current Tax Provision</b>	<b>661.17</b>	<b>654.95</b>
Incremental deferred tax liability on Account of timing difference	10.00	(31.26)
Incremental deferred tax Assets on Account of timing difference	32.55	(0.60)
<b>Deferred Tax Provision</b>	<b>(22.55)</b>	<b>(30.66)</b>
Tax for earlier years (Net)	(5.23)	(18.93)
Total tax expenses recognised	633.39	605.36
Effective tax rate	23.61%	26.40%

## 29 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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Computation of Profit (Numerator)</b>		
Net Profit after Tax as per the Statement of Profit & Loss attributable to Equity Shareholders	2,048.93	1,687.80
<b>Computation of Weighted Average Number of Shares (Denominator)</b>		
Adjusted Weighted Average number of Equity Shares for calculating Diluted EPS	45.13	45.13
Less: Shares Issued to Uniparts ESOP Trust	0.90	0.92
Adjusted Weighted Average number of Equity Shares for calculating Basic EPS	44.23	44.22
Computation of EPS - Basic (in ₹)	46.32	38.17
Computation of EPS - Diluted (in ₹)	45.40	37.40

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 30 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 2023

(₹ in millions)

Description	Effective portion of cash flow hedge	Retained earnings	Foreign operations translation differences	Income tax/ Deferred tax	Total
Re-measurement gains / (losses) of defined benefit plans	-	16.61	-	(4.18)	12.43
Exchange differences in translating the financial statements of foreign operations	-	-	(82.39)	-	(82.39)
Effective portion of cash flow hedge	(55.02)	-	-	13.85	(41.17)
<b>Total</b>	<b>(55.02)</b>	<b>16.61</b>	<b>(82.39)</b>	<b>9.67</b>	<b>(111.13)</b>

Year ended 31st March 2022

(₹ in millions)

Description	Effective portion of cash flow hedge	Retained earnings	Foreign operations translation differences	Income tax/ Deferred tax	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 hedge	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>

## 31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
(i) Contingent liabilities:		
(a) <b>Claims against the company not acknowledged as debt:</b>		
Sales Tax Matters	2.51	2.51
Excise Matters	0.21	0.21
GST Matters	0.36	0.36
Labour Matters	Not Ascertainable	Not Ascertainable
(b) <b>Income Tax Demands</b>	130.17	46.63
(c) <b>Sales Tax Liability against Pending Forms</b>	0.05	-
(d) <b>Others</b>		
<b>a) Guarantees given on behalf of the company by the Banks:</b>		
Sales Tax Matters	0.03	0.03
Pollution Control Board	0.05	0.05
BSE Limited	5,360.00	-
Gas Connections	5.79	2.68
(ii) Capital Commitments		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances)	58.35	35.87



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 32 LEASE

(i) The following is the aggregate movement in lease liabilities during the period ended March 31, 2023:

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Opening Balance	306.56	343.89
Additions during the year	195.70	21.70
Deletion during the year	(2.09)	-
Finance cost accrued during the year	14.65	15.34
Payment of lease liabilities	(98.01)	(83.44)
Exchange differences in translating the financial statements of foreign operations	18.70	9.07
<b>Closing Balance</b>	<b>435.51</b>	<b>306.56</b>

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

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Current lease liabilities	75.76	72.43
Non-current lease liabilities	359.75	234.13
<b>Total</b>	<b>435.51</b>	<b>306.56</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.

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
Payable within one year	75.76	72.43
Payable between one to five years	187.85	153.41
Payable after five years	171.90	80.72
<b>Total</b>	<b>435.51</b>	<b>306.56</b>

## 33 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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Expected Rate of Return on Plan Assets	7.52%	7.23%
Discounting Rate of Uniparts India Limited (UIL)	7.52%	7.23%
Discounting Rate of Gripwel Fasteners Private Limited (GFPL)	7.39%	6.84%

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Discounting Rate of Gripwel Conag Private Limited (GCPL)	7.49%	N.A.
<b>UIL</b>		
Salary Escalation rate- Staff	8.00%	10.00%
Salary Escalation rate- Worker	8.00%	8.00%
Rate of Employee Turnover- Staff	14.00%	13.00%
Rate of Employee Turnover- Worker	1.00%	1.00%
<b>GFPL</b>		
Salary Escalation rate- Staff	8.00%	10.00%
Salary Escalation rate- Worker	8.00%	8.00%
Rate of Employee Turnover- Staff	14.00%	13.00%
Rate of Employee Turnover- Worker	1.00%	1.00%
<b>GCPL</b>		
Salary Escalation rate- Staff	8.00%	N.A.
Salary Escalation rate- Worker	8.00%	N.A.
Rate of Employee Turnover- Staff	14.00%	N.A.
Rate of Employee Turnover- Worker	1.00%	N.A.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
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:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present value of defined benefit obligation as at the beginning of the year	226.29	193.28
Interest cost	16.19	12.29
Current service cost	18.61	15.96
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	2.49	-
(Liability Transferred Out/ Divestments)	(2.49)	-
(Benefit Paid Directly by the Employer)	(13.77)	(9.27)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.77)	3.09
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(15.37)	12.17
Actuarial (Gains)/Losses on Obligations - Due to Experience	(2.51)	(1.23)
<b>Present Value of defined benefit obligation at the end of the year</b>	<b>228.67</b>	<b>226.29</b>





## Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

Changes in the fair value of plan assets recognised in the balance sheet are as follows: (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening fair value of plan assets	45.86	24.10
Interest Income	3.32	1.53
Contributions	-	20.00
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(2.05)	0.23
<b>Closing fair value of plan assets</b>	<b>47.13</b>	<b>45.86</b>

The amounts to be recognised in the Balance Sheet (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present value of obligation as at the end of the year	(228.67)	(226.29)
Fair value of plan assets as at the end of the year	47.13	45.86
Funded Status (Surplus/ (Deficit))	(181.54)	(180.43)
<b>Net assets/(liability) to be recognised in balance sheet</b>	<b>181.54</b>	<b>180.43</b>

Net Interest cost (Income/Expense) (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Present Value of Benefit Obligation at the Beginning of the year	(226.29)	(193.28)
Fair Value of Plan Assets at the Beginning of the year	45.86	24.10
Net Liability/(Assets) at the Beginning	180.43	169.18
Interest Cost	16.19	12.29
(Interest Income)	(3.32)	(1.53)
<b>Net Interest Cost for Current year</b>	<b>12.87</b>	<b>10.76</b>

Expense recognised in the statement of profit and loss (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Current service cost	18.61	15.96
Net Interest (Income) / Expense	12.87	10.76
<b>Net periodic benefit cost recognised in the statement of profit and loss</b>	<b>31.48</b>	<b>26.72</b>

Amount recognised in Statement of Other Comprehensive Income (OCI) (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial (Gains)/Losses on Obligation For the year	(18.65)	14.03
Return on Plan Assets, Excluding Interest Income	2.05	(0.23)
<b>Net (Income)/Expense For the year Recognized in OCI</b>	<b>(16.61)</b>	<b>13.80</b>

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Reconciliation of net Liability/(Asset) recognised:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening Net Liability	180.43	169.18
Expenses Recognized in Statement of Profit or Loss	31.48	26.72
Expenses Recognized in OCI	(16.61)	13.80
Net Liability/(Assets) Transfer In	2.49	0.35
Net (Liability)/Assets Transfer Out	(2.49)	(0.35)
(Benefit Paid Directly by the Employer)	(13.77)	(9.27)
(Employer's Contribution)	-	(20.00)
<b>Net Liability/(Assets) For the year Recognized in Balance Sheet</b>	<b>181.54</b>	<b>180.43</b>

## The major categories of plan assets are as follows:

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Insurance fund	47.13	45.87

## Other Details

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
No of Active Members	2,049	2,017
Per Month Salary For Active Members	37.40	34.99
Weighted Average Duration of the Projected Benefit Obligation	10.00	11.00
Average Expected Future Service	13.00	13.00
Defined Benefit Obligation (DBO)-Total	228.67	226.30
Defined Benefit Obligation (DBO)- Due but not Paid	0.35	-
Defined Contribution For Next Year (12 Months)	<b>30.99</b>	<b>29.37</b>

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	24.09	23.94
2nd Following Year	16.31	14.86
3rd Following Year	20.71	15.77
4th Following Year	18.83	17.28
5th Following Year	17.28	17.72
Sum of Years 6 To 10	94.62	92.44
Sum of Years 11 and above	297.60	301.08

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Sensitivity analysis

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Decrease by 1%	19.27	20.15
Increase by 1%	(16.69)	(17.39)
	<b>2.58</b>	<b>2.76</b>

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Decrease by 1%	(16.48)	(16.84)
Increase by 1%	18.61	19.02
	<b>2.13</b>	<b>2.18</b>

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Decrease by 1%	0.72	1.86
Increase by 1%	(0.65)	(1.67)
	<b>0.07</b>	<b>0.19</b>

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:

(₹ in millions)

Particular	Current Period	previous Period
Present Value of Benefit Obligation at the End of the year	228.67	226.30
(Fair Value of Plan Assets at the End of the year)	(47.13)	(45.87)
Net Liability/(Asset) at the End of the year	181.54	180.43
Interest Cost	17.12	16.19
(Interest Income)	(3.52)	(3.32)
Net Interest Cost for Next Year	13.60	12.19

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

(₹ in millions)

Particular	Current Period	previous Period
Current Service Cost	17.77	18.41
Net Interest Cost	13.60	12.88
(Expected Contributions by the Employees)	-	-
Expenses Recognized	31.02	31.29

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 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, 2023 is ₹11.25 million and for the year ended March 31, 2022 is ₹13.17 million has been recognised in the statement of profit and loss.

(₹ in millions)

Particular	Current Period		previous Period	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	24.54	21.40	17.22	24.35
	<b>24.54</b>	<b>21.40</b>	<b>17.22</b>	<b>24.35</b>

## 34 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 ₹50.06 million has been deducted from the share premium account.

The balance of such loan as at March 31, 2023 is ₹32.13 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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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**

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Outstanding at the beginning of the year	9,16,002	9,61,488
Granted during the year	-	69,912
Forfeited/Surrendered during the year	(19,941)	(4,200)
Exercised during the year	2,05,828	1,11,198
Outstanding at the end of the year	6,90,233	9,16,002
Vested and Exercisable at the end of the year	6,34,262	7,74,723

**(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 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022		
Grant-1	08/02/07	89,754	89,754	-	-	135.00	96.45
Grant-2	27/03/08	20,357	20,357	-	-	135.00	114.02
Grant-3	27/03/09	25,000	25,000	-	-	135.00	70.45
Right Issue	Right Issue	67,556	67,556	-	-	45.00	97.65
Grant-4	25/03/11	12,449	22,785	-	-	105.00	56.69
Grant-5	03/03/12	-	11,268	-	-	105.00	77.63
Grant-6	12/01/13	-	22,535	-	-	105.00	67.19
Grant-7	25/09/13	-	-	-	-	105.00	41.10
Grant-8	23/12/13	-	5,000	-	-	105.00	47.08
Grant-9	15/02/14	21,465	21,465	-	-	105.00	55.00
Bonus Issue	Bonus issue	2,36,581	2,85,720	-	-	-	-
Grant-10	23/08/14	-	19,600	-	-	52.50	32.50
Grant-11	30/06/15	-	-	-	-	52.50	38.26
Grant-12	23/11/18	1,44,600	2,32,550	-	0.65	52.50	53.34
Grant-13	07/08/19	25,000	25,000	0.33	1.33	52.50	43.84
Grant-14	05/11/20	-	-	-	-	52.50	77.68
Grant-15	27/07/21	44,971	64,912	2.32	3.32	52.50	136.03
Grant-16	29/10/21	2,500	2,500	2.58	3.58	52.50	136.03
		<b>6,90,233</b>	<b>9,16,002</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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## (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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Expenses arising from equity – settled share-based payment transactions	2.83	8.93

## 35 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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Information in respect of geographical areas</b>		
Segment revenue from external customers :		
Within India	2,436.11	2,074.79
Outside India (Excluding deemed export)	11,127.90	10,120.87
	<b>13,564.01</b>	<b>12,195.66</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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
India	1,998.38	1,646.89
Japan	677.08	599.54
Europe	3,002.57	3,109.28
Asia Pacific	345.60	272.44
USA	6,584.04	5,757.69
Rest of the World	518.60	381.92
	13,126.27	11,767.75
Sale of Scrap	437.73	427.91
<b>Total Revenue</b>	<b>13,564.01</b>	<b>12,195.66</b>





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Major Product line

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
3PL	7,329.75	6,839.57
PMP	5,327.03	4,471.20
PTO	162.83	122.29
FAB	99.00	130.04
HYD	4.30	7.16
Others	203.35	197.48
	13,126.27	11,767.75
Sale of Scrap	437.73	427.91
<b>Total Revenue</b>	<b>13,564.01</b>	<b>12,195.66</b>

## 36 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 :-

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
(i) <b>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;</b>		
Principal	289.74	364.05
Interest	0.04	0.12
(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	0.04	0.40
(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

## 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 ₹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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

Deferred government grant is disclosed in the financial statements as follows : (₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Opening Balance	2.76	3.15
Grant recognized during the year	-	-
Less : Amount recognized in statement of profit and loss*	(0.39)	(0.39)
<b>Closing Balance</b>	<b>2.37</b>	<b>2.76</b>
Non-current portion	2.10	2.49
Current portion	0.26	0.26

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

## 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

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	-	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	100.00

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

#### (b) Step down Subsidiaries

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
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 LLP (Formerly known as Tima Trading Pvt. Ltd.)

Amazing Estates Pvt. Ltd.

GKP Farm LLP

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



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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

## (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  
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  
Rohit Maheshwari - Chief Financial Officer (w.e.f: 1st March 2023)  
Munish Sapra - Chief Financial Officer (till: 14th February 2023)  
Sudhakar Simhachala Kolli - Group Chief Operating Officer  
Ashish Srivastava - Company Secretary (till: 18th January 2022)  
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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## (ii) Outstanding balances

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>1 Uniparts ESOP Trust</b>		
-In Equity Shares	32.13	41.39

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

(₹ in millions)

Particular	Relationship	As at 31st March 2023	As at 31st March 2022
<b>1 Rent Paid</b>			
Soni Holdings	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	2.82	1.99
		<b>2.82</b>	<b>1.99</b>
<b>2 Sitting fees</b>			
Alok Nagory	Independent Director	0.62	0.18
Sharat Krishan Mathur	Independent Director	1.07	0.49
Shradha Suri	Independent Director	0.45	0.20
Parmeet Singh Kalra	Independent Director	0.12	0.08
Sanjeev Kumar Chanan	Independent Director	0.73	0.10
		<b>2.99</b>	<b>1.05</b>
<b>3 Dividend Paid</b>			
Angad Soni	Relative of Key Managerial Personnel	23.70	17.80
Gurdeep Soni	Key Managerial Personnel	106.59	80.06
Pamela Soni	Relative of Key Managerial Personnel	17.40	26.70
Arjun Soni	Relative of Key Managerial Personnel	23.70	17.80
Paramjit Singh Soni	Key Managerial Personnel	2.37	1.78
Tanya Kohli	Relative of Key Managerial Personnel	11.85	8.90
Uniparts ESOP Trust	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	10.61	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	75.78	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	52.55	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	52.55	46.28
		<b>377.10</b>	<b>311.01</b>
<b>4 Security deposits paid</b>			
Soni Holdings	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.09	-
		<b>0.09</b>	<b>-</b>



## Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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

(₹ in millions)

Particular	Relationship	As at	As at
		31st March 2023	31st March 2022
<b>5 Electricity Expenses</b>			
Avid Maintenance LLP	Enterprises over which Key Managerial Personnel and their relatives exercise significant influence	0.36	-
		<b>0.36</b>	<b>-</b>
<b>6 Key Managerial Person Remuneration*</b>			
Sudhakar Simhachala Kolli	Group Chief Operating Officer	26.08	22.97
Rohit Maheshwari	Chief Financial Officer	1.77	-
Munish Sapra	Chief Financial Officer	15.34	13.56
Gurdeep Soni	Key Managerial Personnel	31.23	25.83
Paramjit Singh Soni	Key Managerial Personnel	53.99	39.12
Herbert Klaus Coenen	Director	24.13	23.10
Jatin Mahajan	Company Secretary	6.56	0.25
Ashish Srivastava	Company Secretary	-	1.91
Deepika Sharma	Company Secretary	-	0.05
		<b>159.10</b>	<b>126.79</b>
<b>7 ESOP Expenses to Key Managerial Person**</b>			
Sudhakar Simhachala Kolli	Group Chief Operating Officer	0.30	0.84
Munish Sapra	Chief Financial Officer	-	0.63
		<b>0.30</b>	<b>1.47</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.

**39 The consolidated financial statements include results of all the subsidiaries of Uniparts India Limited and inter alia their subsidiaries & Associates. The names, country of incorporation or residence, proportion of ownership interest and reporting dates are as under:-**

#### (a) Subsidiaries

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Uniparts USA Limited	USA	100.00	100.00
Uniparts Europe BV	Netherlands	-	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	100.00

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## (b) Step down Subsidiaries

(₹ in millions)

Name of the company	Country of Incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Uniparts Olsen Inc.	USA	100.00	100.00

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as subsidiary/Associates/Joint Venture.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profits	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<b>Parent:</b>								
Uniparts India Limited								
Balance as at March 31, 2023	60.44%	4,986.55	73.03%	1495.19	14.07%	(15.63)	76.41%	1479.56
Balance as at March 31, 2022	59.33%	4,047.43	71.85%	1212.65	42.84%	(14.55)	72.44%	1198.10
<b>Subsidiaries:</b>								
- Indian								
<b>1</b> Gripwel Fasteners Private Limited								
Balance as at March 31, 2023	10.15%	837.44	12.14%	248.64	11.80%	(13.11)	12.16%	235.52
Balance as at March 31, 2022	13.12%	895.43	18.53%	312.78	-12.96%	4.40	19.18%	317.19
<b>2</b> Gripwel Conag Private Limited								
Balance as at March 31, 2023	0.69%	56.53	0.07%	1.53	0.00%	0.00	0.08%	1.53
Balance as at March 31, 2022	0.44%	30.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
- Foreign								
<b>1</b> Uniparts USA Limited								
Balance as at March 31, 2023	19.39%	1,599.30	21.03%	430.64	0.00%	0.00	22.24%	430.64
Balance as at March 31, 2022	19.04%	1,299.14	19.10%	322.46	0.00%	0.00	19.50%	322.46
<b>2</b> Uniparts Olsen Inc.								
Balance as at March 31, 2023	23.36%	1,927.16	17.05%	349.09	0.00%	0.00	18.03%	349.09
Balance as at March 31, 2022	24.73%	1,687.28	10.44%	176.18	0.00%	0.00	10.65%	176.18
<b>3</b> Uniparts Europe B.V.								
Balance as at March 31, 2023	0.00%	0.00	-0.06%	(1.21)	0.00%	0.00	-0.06%	(1.21)
Balance as at March 31, 2022	0.77%	52.72	0.00%	(0.07)	0.00%	0.00	0.00%	(0.07)
<b>4</b> Uniparts India GmbH								
Balance as at March 31, 2023	4.02%	331.71	4.44%	90.83	0.00%	0.00	4.69%	90.83
Balance as at March 31, 2022	3.68%	251.03	5.70%	96.15	0.00%	0.00	5.81%	96.15
<b>Adjustments arising out of consolidation</b>								
Balance as at March 31, 2023	-17.36%	(1432.47)	-27.64%	(565.78)	74.14%	(82.38)	-33.48%	(648.17)
Balance as at March 31, 2022	-20.68%	(1410.67)	-25.61%	(432.37)	70.13%	(23.83)	-27.58%	(456.20)
Total after elimination on account of consolidation- March 31, 2023	100.00%	8,306.22	100.00%	2,048.92	100.00%	(111.13)	100.00%	1,937.78
Total after elimination on account of consolidation- March 31, 2022	100.00%	6,852.36	100.00%	1,687.78	100.00%	(33.97)	100.00%	1,653.81





# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 40 Ratio as per the schedule III requirements

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>(a) Current Ratio<sup>^</sup></b>		
Total current assets	6,978.34	6,821.10
Total current Liabilities	1,409.70	2,751.33
Current ratio	4.95	2.48
% Change from previous year	99.67%	
<b>(b) Debt-Equity Ratio<sup>^</sup></b>		
Debt (Borrowing)	174.57	1,272.74
Total Equity	8,306.33	6,852.42
Debt Equity Ratio	0.02	0.19
% Change from previous year	-88.68%	
<b>(c) Debt Service Coverage Ratio<sup>^^</sup></b>		
Profit after tax for the year	2,048.97	1,687.83
<b>Add: Non cash operating expense and finance cost</b>	<b>446.53</b>	<b>414.24</b>
Depreciation and amortisation expense	390.28	366.48
Interest	47.70	46.45
Loss/(Profit) on sale of fixed assets	8.55	1.31
<b>Earnings available for debt services</b>	<b>2,495.50</b>	<b>2,102.07</b>
Interest paid	47.70	46.45
Lease repayment	98.01	83.09
Long term secured loans repaid	(17.25)	33.36
<b>Total interest and principal repayments</b>	<b>128.46</b>	<b>162.90</b>
<b>Debt service coverage ratio</b>	<b>19.43</b>	<b>12.90</b>
% Change from previous year	50.54%	
<b>(d) Return on Equity Ratio</b>		
Profit after tax for the year	2,048.93	1,687.80
Average Equity	7,579.38	6,217.46
<b>Return on equity ratio</b>	<b>27.03%</b>	<b>27.15%</b>
% Change from previous year	-0.42%	
<b>(e) Inventory turnover ratio</b>		
Cost of materials consumed	4,966.78	5,012.65
Changes in inventories of finished goods, work-in-progress and scrap	(91.48)	(997.00)
<b>Cost of goods sold</b>	<b>4,875.30</b>	<b>4,015.65</b>
Average inventory	4,474.87	3,905.11
<b>Inventory turnover ratio</b>	<b>1.09</b>	<b>1.03</b>
% Change from previous year	5.95%	
<b>(f) Trade Receivables turnover ratio</b>		
Sale of goods and services	13,572.21	12,204.04
Average account receivable	1,747.84	1,808.83
<b>Trade receivables turnover ratio</b>	<b>7.77</b>	<b>6.75</b>
% Change from previous year	15.09%	
<b>(g) Trade payables turnover ratio</b>		
Purchases	4,967.54	5,004.07
<b>Average trade payables</b>	<b>800.28</b>	<b>898.37</b>
Trade payables turnover ratio	6.21	5.57
% Change from previous year	11.44%	

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 40 Ratio as per the schedule III requirements

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>(h) Net capital turnover ratio</b>		
Revenue from operations	13,660.21	12,274.25
Net working capital (refer note below)	5,568.64	4,069.74
<b>Net capital turnover ratio</b>	2.45	3.02
% Change from previous year	-18.66%	
<b>Note: Net working capital is calculated by reducing total current liabilities from total current assets.</b>		
<b>(i) Net profit ratio</b>		
Profit after tax for the year	2,048.93	1,687.83
Revenue from operations	13,660.23	12,274.25
<b>Net profit ratio</b>	15.00%	13.75%
% Change from previous year	9.08%	
<b>(j) Return on Capital employed</b>		
Profit before tax	2,682.32	2,293.16
Finance costs	59.73	56.98
<b>Earnings before interest and tax</b>	<b>2,742.05</b>	<b>2,350.14</b>
<b>Capital employed</b>	<b>7,647.31</b>	<b>7,580.00</b>
Net worth	8,306.33	6,852.42
Total Debt*	(211.86)	1,132.78
Deferred tax Liability	228.85	247.88
Intangible assets	676.01	653.08
<b>Return on capital employed</b>	<b>35.86%</b>	<b>31.00%</b>
% Change from previous year	15.65%	

Total Debt\* = Borrowings - Cash & cash equivalents

^The variation in current ratio and debt-equity ratio as at March 31, 2023 as compared to March 31, 2022 is primarily due to decrease in current borrowing.

^^Variation in debt service coverage ratios is primarily due to increase in turnover and profitability during the year ended March 31, 2023.

## 41 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.



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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 :

(₹ in millions)

S No	Name of Bank		As at 31st March 2023		As at 31st March 2022		
			Foreign Currency	INR	Foreign Currency	INR	
1	Forward Contract	USD	Hedging of highly probable sales	23.70	1,867.33	38.20	2,985.13
2	Forward Contract	EUR	Hedging of highly probable sales	11.00	998.64	4.00	354.04
3	Forward Contract	AUD	Hedging of highly probable sales	0.60	61.60	0.50	29.03

The cash flow hedges of the expected future sales during the year ended March 31, 2023 were assessed to be effective and an unrealised loss of ₹55.02 million, with a deferred tax assets of ₹13.85 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, 2022 were assessed to be effective and an unrealised profit of ₹0.24 million, with a deferred tax liability of ₹0.06 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, 2023 is detailed in Note 29 totaling ₹0.18 million (net of tax) [March 31, 2022: ₹67.25 million (net of tax)]. The amounts retained in OCI at March 31, 2022 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 30.

## 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

### a) Market risk

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 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.

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>Variable rate borrowings</b>		
Short Term	54.25	1,169.65
<b>Total Variable rate borrowings</b>	<b>54.25</b>	<b>1,169.65</b>
<b>Fixed rate borrowings</b>		
Long Term	120.32	103.08
<b>Total Fixed rate borrowings</b>	<b>120.32</b>	<b>103.08</b>
<b>Total</b>	<b>174.57</b>	<b>1,272.73</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:

(₹ in millions)

Particular	Effect on profit and equity	
	Year ended 31st March 2023	Year ended 31st March 2022
Interest rate - increase by 100 basis points (100 bps)*	(0.54)	(11.70)
Interest rate - decrease by 100 basis points (100 bps)*	0.54	11.70

\* Holding all other variable constant

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

## c) Foreign currency risk

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

The Company have long term agreements with its major customers, the company face foreign exchange risk in respect of (i) our foreign currency loans, in respect of which selectively hedge currency exchange rate risk, (ii) currency mismatches between income and expenditures, which the company seek to manage as much as possible



## Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

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:

(₹ in millions)

Particular	Currency	Description	Effect on profit and equity	
			Year ended 31st March 2023	Year ended 31st March 2022
a) Receivables	USD	Sale	9.73	4.06
	EUR	Sale	3.89	5.87
	JPY	Sale	10.23	43.72
	AUD	Sale	0.18	0.83
	GBP	Sale	0.36	0.39
b) Payables	USD	Purchase	-	0.50
	EUR	Purchase	-	-
c) Loans	USD	PCFC Loan/PSFC Loan	-	0.09
d) Bank	USD	EEFC	0.01	-
	EUR	EEFC	-	-
e) Other Receivable	USD		0.05	0.08
f) Other Payables	USD		0.02	-
	JPY		4.82	2.92
	EUR		-	-

### Foreign currency sensitivity

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

(₹ in millions)

Particular	Effect on profit and equity	
	Year ended 31st March 2023	Year ended 31st March 2022
INR/USD-Increase by 5%	40.17	13.48
INR/EUR-Increase by 5%	17.32	24.68
INR/GBP-Increase by 5%	1.80	1.96
INR/JPY-Increase by 5%	0.17	1.27
INR/AUD-Increase by 5%	0.50	2.34
INR/USD-Decrease by 5%	(40.17)	(13.48)
INR/EUR-Decrease by 5%	(17.32)	(24.68)
INR/GBP-Decrease by 5%	(1.80)	(1.96)
INR/JPY-Decrease by 5%	(0.17)	(1.27)
INR/AUD-Decrease by 5%	(0.50)	(2.34)

### 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

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

receivables) and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, other receivables and deposits, foreign exchange transactions and other financial instruments.

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

For the year ended March 31, 2023, and year ended March 31, 2022 our provision for doubtful debts is amounted to ₹1.28 million and ₹1.25 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.

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Total Committed working capital limits from Banks	2,714.71	2,406.51
Less: Utilized working capital limit	54.25	1,169.65
<b>Unutilized working capital limit</b>	<b>2,660.46</b>	<b>1,236.86</b>

## g) Maturities of financial liabilities

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

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
<b>1 Long Term Borrowings</b>		
Upto 1 year	26.45	54.47
Between 1 to 5 years	93.87	48.61
Over 5 years	-	-
<b>2 Short Term Borrowings</b>		
Upto 1 year	54.25	1,169.65
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>3 Trade Payables</b>		
Upto 1 year	704.73	895.83
Between 1 to 5 years	-	-
Over 5 years	-	-
<b>4 Lease Liabilities</b>		
Upto 1 year	75.76	72.43
Between 1 to 5 years	187.85	153.41
Over 5 years	171.90	80.72
<b>Total</b>	<b>1,314.81</b>	<b>2,475.12</b>



# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## 43 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:

(₹ in millions)

Particular	Level of Input	Carrying Amount		Fair Value	
		Year ended 31st March 2023	Year ended 31st March 2022	Year ended 31st March 2023	Year ended 31st March 2022
<b>Financial Assets</b>					
Loan to Employees		3.84	3.00	3.84	3.00
Security Deposits		92.01	46.94	92.01	46.94
Derivative instruments	Level 1	-	35.62	-	35.62
Current Investments	Level 1	250.17	-	250.17	250.17
Trade Receivables		1,553.34	1,942.34	1,553.34	1,942.34
Cash & Bank Balances		386.77	139.95	386.77	139.95
Other Receivables		3.25	0.92	3.25	0.92
<b>Financial Liabilities</b>					
Borrowings		174.57	1,272.73	174.57	1,272.73
Trade Payables		704.73	895.83	704.73	895.83
Lease Liabilities		435.51	306.56	435.51	306.56
Derivative instruments	Level 1	19.40	-	19.40	-
Other financial liabilities		76.37	-	76.37	-

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, 2023 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.

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

## Reconciliation of fair value measurement of financial assets/(liabilities) classified as FVTOCI:

(₹ in millions)

Particular	As at 31st March 2023	As at 31st March 2022
<b>Derivatives</b>		
<b>Assets</b>		
Forward Currency Contract	-	35.62
<b>Liabilities</b>		
Forward Currency Contract	19.40	-

## 44 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.

(₹ in millions)

Particular	Year ended 31st March 2023	Year ended 31st March 2022
Borrowings	174.57	1,272.74
Less: cash and other liquid assets	386.76	139.95
Net Debt	(212.19)	1,132.78
Equity	8,306.33	6,852.42
<b>Net debt/equity ratio</b>	<b>(0.03)</b>	<b>0.17</b>

## 45 Employee retention credit ("ERC")

During the years ended March 31, 2023 and March 31, 2022, Uniparts USA ltd the Subsidiary of the company and Uniparts Olsen Inc. the Step down Subsidiary of the company availed benefits under the Employee retention credit scheme, established under the Coronavirus Aid, Relief, and Economic Security Act. It was intended to help businesses retain their workforces and avoid layoffs during the coronavirus pandemic. It provides for a refundable tax credit against certain employment taxes of up to ₹0.40 millions per employee for eligible employers. It is a per employee tax credit based on a percentage of qualified wages and health insurance benefits paid to employees. In accordance with the pre-existing accounting principles as applied to Paycheck Protection Program loan, under the provisions of IAS 20, the Company has recorded total Employee retention credit refund received during the years ended March 31, 2023 and March 31, 2022, amounting to ₹131.20 millions and ₹11.12 millions respectively, under other income in the consolidated statements of income.

**46** One of the wholly owned subsidiary, namely, Uniparts Europe B.V. has been Liquidated on October 12, 2022. The subsidiary company had no operations in earlier years and there is no material impact of such liquidation during the year.

## 47 Initial Public Offering

During the year ended March 31, 2023, the Company has completed its Offer for sale (IPO), having an offer for sale of 14,481,942 equity shares of face value ₹10 each at an issue price of ₹577 per share by existing shareholders. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India (NSE) and BSE Limited (BSE) on December 12, 2022.



## Notes to the Consolidated Financial Statements

For the year ended 31st March, 2023

**48** Under an agreement with BRLMs and selling Shareholders, as part of the Offer for Sale (IPO), company had opened an Escrow Bank account with AXIS Bank for handling all IPO related proceeds and disbursements.

As on the date of the Financial Statements, the balance in the said Escrow Bank Account was ₹66.26 millions which is kept for settlement of all the remaining IPO related claims of the vendors and balance to be refunded to the selling share holders.

**49** 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 S.C. VARMA AND CO.**

Chartered Accountants

Firm Regn. No.000533N

**S.C. Varma**

(Partner)

Membership No. 011450

Place : New Delhi

Dated: 25th May, 2023

For and on behalf of Board of Directors of

**Uniparts India Limited**

**Gurdeep Soni**

(Chairman & Managing Director)

[DIN: 00011478]

**Rohit Maheshwari**

(Chief Financial Officer)

[FCA: 093127]

**Paramjit Singh Soni**

(Vice Chairman & Director)

[DIN: 00011616]

**Jatin Mahajan**

(Company Secretary)

[FCS: 6887]

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY COMPANIES

**Form AOC-I**

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 [as amended from time to time])

Statement containing the salient features of the financial statement of the Company's subsidiaries  
Part "A": Subsidiaries

S. No.	Name of the Subsidiary	Reporting Currency	Date of Becoming subsidiary	Exchange Rate as on 31 March, 2023	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Uniparts USA Ltd.	USD	27.01.2005	82.19	65,91,63,800	94,01,38,941	1,95,68,66,593	1,95,68,66,593	68,77,38,390	2,32,40,12,026	51,39,23,893	8,32,88,199	43,06,35,694	-	100%
2	Uniparts Olsen Inc.	USD	11.11.2005	82.19	32,35,00,169	1,60,36,65,084	2,63,55,74,673	2,63,55,74,673	-	3,60,03,20,507	42,87,32,966	7,96,46,632	34,90,86,334	-	100%
3	Gripwel Fasteners Private Limited	INR	21.01.2008	1.00	5,75,98,420	77,98,45,123	1,07,21,09,982	1,07,21,09,982	-	2,46,23,43,506	33,32,46,780	8,46,11,323	24,86,35,457	-	100%
4	Uniparts India GmbH	Euro	18.05.2010	89.10	89,10,000	32,28,02,222	67,92,74,287	67,92,74,287	-	1,51,76,66,641	12,11,64,849	3,03,36,133	9,08,28,717	-	100%
5	Gripwel Conag Private Limited	INR	06.12.2021	1.00	5,50,00,000	15,28,547	23,88,45,597	23,88,45,597	-	47,40,549	15,47,466	18,919	15,28,547	-	100%

Notes:

- Names of subsidiaries which are yet to commence operations NIL
- Names of subsidiaries which have been liquidated or sold during the year Uniparts Europe B.V

**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 year under review, Company does not have any Associates or Joint Ventures.

For and on behalf of the Board of Directors

**Uniparts India Limited**

Gurdeep Soni

[Chairman & Managing Director]

[DIN: 00011478]

Paramjit Singh Soni

[Vice Chairman & Director]

[DIN: 00011616]

Rohit Maheshwari

[Chief Financial Officer]

[FCA: 093127]

Jatim Mahajan

[Company Secretary]

[FCS: 6887]

S.C. Varma

[Partner - S.C. Varma and Co.]

[Membership No.: 011450]



## Uniparts India Limited

CIN: L74899DL1994PLC061753

Registered Office: Gripwel House, Block-5, LSC, C 6 & 7, Vasant Kunj, New Delhi-110 070

Corporate Office: 1st Floor, B 208, A1 & A2, Phase-II, Noida-201305, (U.P.), India

Telephone No. +91 120 4581400; E-mail: compliance.officer@unipartsgroup.com; website: www.unipartsgroup.com

### NOTICE

Notice is hereby given that the 29th Annual General Meeting ("AGM") of the members of Uniparts India Limited ("the Company") will be held on Friday, the 15th day of September, 2023 at 04:30 P.M. (IST) 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 statement of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon; and
  - b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon.

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, 2023 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, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
2. To confirm (a) First Interim Dividend of Rs. 8.25 per equity share of face value of Rs. 10/- each and (b) Second Interim Dividend of Rs. 6 per equity share of face value of Rs. 10/- each.

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

- a. "RESOLVED THAT the First Interim Dividend of Rs. 8.25 per equity share i.e. 82.50% on face value of Rs. 10/- each fully paid up for the Financial Year 2022-23 approved by the Board of Directors of the Company and already paid, be and is hereby confirmed."
- b. "RESOLVED THAT the Second Interim Dividend of Rs. 6 per equity share i.e. 60% on face value of Rs. 10/- each fully paid up for the Financial Year 2022-23 approved by the Board of Directors of

the Company and already paid, be and is hereby confirmed."

3. To appoint Mr. Paramjit Singh Soni (DIN: 00011616), who retires by rotation as a Director.

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. Paramjit Singh Soni (DIN: 00011616), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

#### Special Business:

4. To approve the remuneration payable to M/s Vijender Sharma & Co. for the Financial Year 2023-24.

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 all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as per the recommendation of the Audit Committee, M/s. Vijender Sharma & Co., member of the Institute of Cost Accountants of India (FRN-000180), appointed as Cost Auditors of the Company by the Board of Directors of the Company, to audit the cost records of the Company for the financial year 2023-24, be paid the remuneration as set out in the statement annexed to the notice convening this meeting."

5. To approve payment of remuneration to Non-Executive Independent Directors by way of Commission.

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and

the Board of Directors, the consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission or otherwise to the Non-Executive Independent Directors of the Company for the financial year 2023-24 and thereafter, at an amount not exceeding 0.25% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 and the said remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time;

**RESOLVED FURTHER THAT** the total overall managerial remuneration payable to all the directors of the Company in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act;

**RESOLVED FURTHER THAT** the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

**6. To consider and determine the fees for delivery of any document through a particular mode of delivery to the member(s) of the Company.**

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

"**RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the Company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the members of the Company be and is hereby accorded to charge from the member, the requisite charges in advance pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite charges has been duly received by the Company at least ten days in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder, the charges payable for such delivery, as prescribed below for each mode of dispatch:

S. No.	Mode of dispatch	Minimum rate per document at the minimum slab of the weight of the document in each category (in Rs.)	
		Within India	International
1.	Ordinary post	15	1.2 times of the actual charges in each case
2.	Registered post	100	
3.	Speed post	100	
4.	Courier	100	
5.	Electronic mail (email)	20	20

Note- printing charges of providing the documents shall be charged as per provisions of the Companies Act, 2013

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

**By order of the Board of Directors  
For Uniparts India Limited**

Sd/-  
**Jatin Mahajan**  
Company Secretary and Compliance Officer

Place: Noida, Uttar Pradesh  
Date: May 25, 2023

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

**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**  
L74899DL1994PLC061753





## NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its circular dated December 28, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 and May 05, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC. The deemed venue for the AGM 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. Since this AGM will be held through VC/OAVM pursuant to the MCA circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the proxy form, attendance slip and the route map of the venue of the meeting are not annexed hereto.**
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, the Board of Directors of the Company considered that the special business under Item Nos. 4 to 6, being unavoidable, shall be transacted at this AGM of the Company.
5. In terms of the provisions of Section 152 of the Act, Mr. Paramjit Singh Soni (DIN: 00011616), Director of the Company, retires by rotation at the Meeting.

The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment. Mr. Paramjit Singh Soni, Director of the Company, is interested in the Ordinary Resolution set out at Item No. 3 of the Notice with regard to his re-appointment. The relatives of Mr. Paramjit Singh Soni may be deemed to be interested in the resolution set out at Item No. 3 of the Notice,

to the extent of their shareholding interest, if any, in the Company.

Brief profile of the director retiring by rotation/ seeking reappointment at this Meeting including information required pursuant to Regulation 36 of the SEBI Listing Regulations read with the applicable provisions of SS-2 issued by the ICSI, is annexed as "Annexure" to the Notice.

6. Institutional / Corporate Members (that is, other than Individuals, HUFs, NRIs, etc.) are entitled to appoint authorized representative to attend the AGM through VC/OAVM and participate thereat and cast their votes through e voting. Institutional / Corporate Members intending to attend the AGM through their authorized representative(s) are requested to provide scanned certified copy (in PDF format) of Board Resolution / Authority Letter / Power of Attorney, etc. authorizing such representative(s) to attend and vote at the AGM, by e-mail to the Scrutinizer at [rkj@rkj.co.in](mailto:rkj@rkj.co.in) with a copy marked to Company's Registrar and Transfer Agent, Link Intime India Private Limited ("Link Intime / RTA") at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) and the Company at [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com).
7. **DISPATCH OF NOTICE AND ANNUAL REPORT THROUGH ELECTRONIC MODE:**
  - a) In compliance with the MCA Circulars and Securities and Exchange Board of India ("SEBI") Circular dated January 05, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email address is registered with the Company/ RTA / Depository Participants/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com), websites of the Stock Exchanges, that is BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Company's RTA at <https://instavote.linkintime.co.in>.
  - b) Any person who acquire shares of the Company and becomes Member of the Company after the dispatch of Notice and holding shares as on the cut-off date, i.e. Friday, 8th September, 2023 ("Cut-off date"), may obtain the login ID and password by sending a request at [shamwant.kushwah@linkintime.co.in](mailto:shamwant.kushwah@linkintime.co.in). However, if he/ she is already registered with Link Intime for remote e-voting, then he/ she can use his/ her existing user ID and password for casting the vote.
  - c) Members who have not registered their email address with the Company/Depositories/DPs,

may complete the email registration process as under to receive the Notice, Annual Report and vote on the resolutions mentioned therein:

- (i) Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime, by clicking the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of PAN, Aadhar Card, share certificate & Form ISR-1 in PDF or JPEG format (upto 1 MB).

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

- (ii) For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

- (iii) For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime by clicking the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id and also upload the image of CML, PAN, Aadhar Card & Form ISR-1 in PDF or JPEG format (upto 1 MB).

In case of any queries, shareholder may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), under Help section or call on Tel no.: 022-49186000;

## 8. PROCEDURE FOR INSPECTION OF DOCUMENTS:

- (a) 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, the Certificate from the Secretarial Auditors in respect of the Company's Employee Stock Option Scheme and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. 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. Members seeking to inspect such documents can send an e-mail to [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com)
- (b) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, 8th September, 2023 by sending e-mail on [compliance.officer@unipartsgroup.com](mailto:compliance.officer@unipartsgroup.com). The same will be replied by the Company suitably.

## 9. AGENCY FOR CONDUCTING THE AGM, REMOTE E-VOTING AND E-VOTING AT AGM:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), Regulation 44 of the SEBI Listing Regulations, circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020 and the MCA Circulars, the Company is providing facility of remote e-voting and e-voting at AGM to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has appointed Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company, to provide the VC/OAVM facility for conducting the AGM and for voting through remote e-voting or e-voting at the AGM. The procedure related thereto is explained hereinbelow.

## 10. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

- a) The facility for the Members to exercise their right to vote through electronic means will be available during the following period:
- Commencement of e-voting: Tuesday, 12th September, 2023 at 09:00 A.M. (IST)
- Conclusion of e-voting: Thursday, 14th September, 2023 at 05:00 P.M. (IST)
- b) During the above period, members of the Company holding shares either in physical form

or in dematerialized form, as on the Cut-off date i.e. Friday, 8th September, 2023 and who are otherwise not barred to cast their vote, may cast their vote by remote e-voting or e-voting at the AGM, on the resolutions set forth in this Notice.. The said remote e-voting module shall be disabled by RTA for voting immediately thereafter. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again. A person who is not a member on the Cut-off date should treat this Notice for information purpose only.

- c) The voting rights of the Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid up value of their shares in the equity share capital of the Company as at close of business hours on Cut-off date.
- d) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
- e) As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various e-Voting service provider portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat/ physical mode and Institutional shareholders is given below:**

**A. Individual Shareholders holding securities in demat mode with NSDL**

- i. Existing IDeAS user can visit the e-Services website of NSDL viz. <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
- ii. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

- iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
- iv. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



**B. Individual Shareholders holding securities in demat mode with CDSL**

- i. Users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- ii. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- iii. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on

login & New System Myeasi Tab and then click on registration option.

- iv. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

### C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

### D. Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

- i. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- ii. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

#### a) User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL

demat account shall provide 16 Digit Beneficiary ID.

- b) **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

#### c) DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

#### d) Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in **NSDL form**, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%^&\*), at least one numeral, at least one alphabet and at least one capital letter).

- Click "confirm" (Your password is now generated).

- iii. Click on 'Login' under '**SHARE HOLDER**' tab.
- iv. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.
- v. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
- vi. E-voting page will appear.
- vii. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- viii. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your

vote, click on 'No' and accordingly modify your vote.

#### E. Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

#### F. Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

(User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company)

- In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%^&\*), at least one numeral, at least one alphabet and at least one capital letter.

#### G. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

#### Helpdesk

##### a) Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

##### b) for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

11. The facility for joining the AGM through VC/ OAVM shall open for the Members 15 minutes before the scheduled time of the commencement of the AGM.
12. The facility of participation at the AGM through VC/ OAVM will be made available on first-come-first served basis. This will not apply to large Shareholders (Shareholders holding 2% or more shareholding) and Institutional Investors who are allowed to attend the AGM without any restriction on account of first come first served basis. Institutional Investors are encouraged to attend and vote at the AGM.



### 13. PROCESS AND MANNER FOR ATTENDING THE AGM THROUGH INSTAMEET:

- a) Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> and click "Login"
- b) Select the "Company" and 'Event Date' and register with your following details: -
  - (i) **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No.
    - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
    - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
    - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company.
  - (ii) **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - (iii) **Mobile No.:** Enter your mobile number.
  - (iv) **Email ID:** Enter your email id, as recorded with your DP/Company.
- c) Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

### 14. INSTRUCTIONS FOR SHAREHOLDERS TO VOTE DURING THE AGM THROUGH INSTAMEET:

The members present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting shall be eligible to vote during the AGM. The e-voting module will be activated 30 minutes prior to the AGM and shall remain activated 15 minutes after the conclusion of the AGM.

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

#### Notes:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.
- Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company/ DP's will be entitled to vote during the AGM.
- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- In case shareholders/ members have any queries regarding login/ e-voting, they may send an





email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**15. INSTRUCTIONS FOR SHAREHOLDERS TO SPEAK DURING THE AGM (SPEAKERS REGISTRATION)**

- a) Members, who would like to speak during the AGM, need to register their request during Friday, September 8, 2023 to Tuesday, September 12, 2023, as a speaker with the Company by sending their request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, by sending an email to the Company at compliance.officer@unipartsgroup.com. Only those members who are registered as speaker will be allowed to express their views or ask questions at the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

**16. SCRUTINIZER FOR E-VOTING AND DECLARATION OF VOTING RESULTS:**

- a) The Board has appointed Mr. Neelesh Kumar Jain, Company Secretary in Practice (Membership No. - FCS 5593 and CP No. - 5233), of M/s. NKJ & Associates, as the Scrutinizer to scrutinize the remote e-voting and e-voting at the AGM, in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
- b) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the meeting or a person authorized by him in writing.
- c) The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company at [www.unipartsgroup.com](http://www.unipartsgroup.com) and on the website of RTA at <https://instavote.linkintime.co.in>. The result will simultaneously be communicated to the stock exchanges and will also be displayed at the Registered Office and Corporate Office of the Company.
- d) The resolutions will be deemed to be passed on the date of AGM, i.e. Friday, September 15, 2023, subject to receipt of the requisite number of votes in favour of the resolutions.

17. The recorded transcript of the AGM shall also be made available on the website of the Company at [www.unipartsgroup.com](http://www.unipartsgroup.com) as soon as possible after the conclusion of AGM.

18. The Members who have either not received or have not encashed their dividend warrant(s) pertaining to financial year 2022-23 are requested to write to RTA, mentioning the relevant Folio Number(s)/ DP ID and Client ID. The Members are requested to note that dividends which are not claimed/not paid within seven (7) years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013 and rules made thereunder, be transferred to the Investor Education and Protection Fund ("IEPF"). The Company would upload the details of unpaid and unclaimed amounts lying with the Company on the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com) and also on the website of the MCA, from time to time.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, the equity shares of the Company, in respect of which the dividend(s) remained unpaid or unclaimed for a period of seven (7) consecutive years, are liable to be transferred to the IEPF Authority.

19. SEBI has vide circular dated November 3, 2021, December 14, 2021 and March 16, 2023 mandated furnishing of PAN, KYC and Nomination by Members holding shares in physical form. In view of the same, it may be noted that any service request can be processed only after the folio is PAN, KYC and Nomination compliant. The concerned shareholders are requested to furnish the requisite documents/information at the earliest. Non-availability of the same on or after October 1, 2023 will result in freezing of the folios of such shareholders pursuant to the aforesaid SEBI circular. These frozen folios will be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, after December 31, 2025.

Further, SEBI has vide its circulars dated January 24, 2022 and January 25, 2022 mandated listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Members may note that, as mandated by SEBI, effective April 1, 2019, the Company cannot process any request for transfer of securities in physical mode,

except transmission or transposition of securities. Only securities held in dematerialized form can be transferred. Hence, Members are requested to dematerialize their shares if held in physical form.

20. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the DP's with whom they are maintaining their dematerialised accounts.
21. Pursuant to the provisions of Section 72 of the Act read with the rules made thereunder, Members holding shares in a single name may avail the facility of nomination in respect of the shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 to the RTA. Further, in terms of SEBI circular dated March 27, 2023, all existing shareholders holding shares in trading and demat accounts shall provide their choice

of nomination on or before September 30, 2023, failing which such trading accounts shall be frozen for trading and demat accounts shall be frozen for debits. Accordingly, Members are urged to update their nomination details for their respective accounts before the aforementioned date by contacting their respective DP's.

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

**Sd/-**  
**Jatin Mahajan**  
**Company Secretary and Compliance Officer**

Place: Noida, Uttar Pradesh  
Date: May 25, 2023



## 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. 4

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Vijender Sharma & Co., Cost Accountant, as Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024 on remuneration of Rs. 4,00,000/- (Rupees Four Lacs Only) plus applicable service tax and out of pocket expenses as may be incurred.

In accordance with the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, it is proposed to sought consent of the members by passing an Ordinary Resolution as set out at Item No. 4 of the notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024. The proposal as mentioned in Item No. 4 is in the interest of the Company and the Board recommends the resolution for approval by members. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

### Item No. 5

Section 198 of the Companies Act, 2013 ('the Act') permits the Company to pay remuneration in the form of commission or otherwise to Non-Executive Directors, both in the Independent and Non-Independent category, not exceeding 1% of the net profits of the Company, subject to approval of the members by means of a Resolution.

The Company's Non-Executive Independent Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. The Company's Non-Executive Independent Directors have been shaping and steering the long term strategy and make invaluable contributions towards Uniparts group level strategy, monitoring of risk management and compliances.

The members of Nomination and Remuneration Committee and Board of Directors at their respective meetings held on May 25, 2023, recommended the proposal for the remuneration payable to Non-Executive Independent Directors of the Company, by way of commission or otherwise, not exceeding 0.25% of the net profits of the Company calculated in accordance with the provisions of the Act, effective from the financial year 2023-24. The payment of such remuneration shall be in addition to the sitting fees and reimbursement of expenses for attending Board/Committee meetings.

This remuneration will be distributed amongst all or some of the Non-Executive Independent Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act.

Accordingly, the Board recommends the resolution set forth in Item No. 5 relating to payment of remuneration to Non-Executive Independent Directors, at an amount not exceeding 0.25% of the net profit of the Company, by way of Ordinary Resolution. Except Executive Directors, Non-Executive Director and Key Managerial Personnel of the Company and their relatives, all Non-Executive Independent Directors along with their relatives, are deemed to be concerned or interested, financially or otherwise, in this resolution to the extent of remuneration or fees that may be received by them.

### Item No. 6

Pursuant to the provisions of Sections 20 of the Companies Act, 2013 and other applicable sections of the said act, if any, and rules made thereunder, a document may be served on any member by sending him by post or by registered post or by speed post or by courier or by delivering to their office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which, shall pay such fees in advance as may be determined by the company in its annual general meeting.

Accordingly, the Board of Directors recommends the resolution set forth in Item no. 6 for your approval by an Ordinary resolution. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

## Annexure to the Notice dated May 25, 2023

### Details of Director retiring by rotation/seeking re-appointment at the Meeting

<b>Mr. Paramjit Singh Soni</b>	
Age	62 years
Nationality	USA
Date of first appointment on the Board	26/09/1994
Qualifications	Bachelor's degree in commerce from the University of Delhi
Experience (including expertise in specific functional area) / Brief Resume	<p>Mr. Paramjit Singh Soni serves as an Executive Director and Vice Chairman of the Company and has been a part of the organization since its inception. He was appointed as a Director on September 26, 1994. He holds a Bachelor's degree in Commerce from the University of Delhi. In 41 years of work experience, he has held various roles within the Uniparts Group and is based in the USA.</p> <p>Mr. Soni plays a pivotal role in the Uniparts Group's OEM business, taking charge of its operations. He contributes to the formulation of corporate strategies and planning. His expertise lies in business growth and diversification. Mr. Soni's contributions have been instrumental in shaping the Company's direction and success.</p>
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Paramjit Singh Soni, is liable to retire by rotation.
Remuneration last drawn (FY 2022-23)	NIL
Remuneration proposed to be paid	NIL
Shareholding in the Company as on March 31, 2023	2,00,000 Equity Shares
Relationship with other Directors / Key Managerial Personnel	Brother of Mr. Gurdeep Soni, Chairman and Managing Director
Number of meetings of the Board attended during the financial year (2022-23)	6
Directorship of other Boards as on March 31, 2023	<p>Listed: Nil</p> <p>Unlisted:</p> <ul style="list-style-type: none"> <li>* Gripwel Fasteners Private Limited</li> <li>* SKG Engineering Private Limited</li> <li>* Amazing Estates Private Limited</li> </ul> <p>Overseas:</p> <ul style="list-style-type: none"> <li>• Uniparts USA Limited</li> <li>• Uniparts Olsen Inc.</li> </ul>
Membership/Chairmanship of Committees of other Boards as on March 31, 2023	<p>Listed: Nil</p> <p>Unlisted:</p> <p>Gripwel Fasteners Private Limited</p> <ul style="list-style-type: none"> <li>- Nomination &amp; Remuneration Committee (Member)</li> <li>- Corporate Social Responsibility Committee (Member)</li> </ul>
Listed Entities from which resigned as Director in past 3 years	NIL









## Uniparts India Limited

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