

UNIPARTS USA LTD. AND SUBSIDIARY
Translated Report on the annual accounts 2020/2021



Uniparts USA Ltd. And Subsidiary

Translated Consolidated Balance Sheets as at March 31, 2021 and March 31, 2020

(Amount in INR)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents	C	1,75,41,736	7,17,29,782
Accounts receivable, net	D	51,68,08,262	57,95,93,259
Inventories, net	E	1,55,48,05,005	1,92,60,26,567
Prepaid expenses and other current assets		6,55,06,849	1,58,54,173
Other receivables	L	-	6,02,90,534
Total current assets		2,15,46,61,852	2,65,34,94,315
Property and equipments, net	F	14,78,52,316	17,59,30,427
Capital work in progress		1,36,61,275	2,33,47,339
Software	G	2,39,86,982	3,88,22,325
Goodwill		83,61,72,457	86,12,06,191
Total assets		3,17,63,34,882	3,75,28,00,597
LIABILITIES AND STOCKHOLDER'S EQUITY			
Current liabilities			
Lines of credit	I	17,75,75,356	59,14,90,121
Account payable		8,13,21,953	12,79,47,586
Due to related parties	S	21,72,27,776	45,73,96,222
Accrued expenses		6,34,09,931	14,64,52,221
Insurance claim recoveries in advance	L	-	4,92,39,060
Current portion of long-term debt	J	1,67,26,260	2,52,38,524
Provision for taxation, net of advance taxes		-	20,76,898
Total current liabilities		55,62,61,276	1,39,98,40,632
Long term liabilities			
Long term debt, net of current portion	J	2,38,44,266	4,18,14,002
Deferred rent		64,21,107	55,36,586
Deferred taxes	P	17,45,68,671	15,37,69,091
Total long-term liabilities		20,48,34,044	20,11,19,679
Stockholder's equity			
Convertible, callable preferred stock, \$ 10 @ Rs. 437.20 par value, 800,000 shares authorized, issued and outstanding.	T	34,97,60,000	34,97,60,000
Common stock, \$10 @ INR 437.20 par value, 300,000 shares authorized; 2,000 shares issued and outstanding.	T	8,74,400	8,74,400
Additional paid-in capital		13,83,727	6,77,683
Retained earnings		1,82,72,12,534	1,54,69,35,803
Foreign currency translation reserve		23,60,08,901	25,35,92,400
Total stockholder's equity		2,41,52,39,562	2,15,18,40,286
Total liabilities		3,17,63,34,882	3,75,28,00,597

(The accompanying notes are an integral part of these consolidated financial statements)



Uniparts USA Ltd. And Subsidiary

Translated Consolidated Statements of income for the years ended March 31, 2021 and March 31, 2020

(Amount in INR)

Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue, net	N	3,92,41,62,121	4,75,53,00,010
Cost of goods sold		(3,57,21,42,051)	(4,02,56,42,413)
Other revenue	N	42,09,731	-
Gross profit		35,62,29,801	72,96,57,597
Selling, general and administrative expenses		(35,04,46,644)	(38,81,43,059)
Income from operations		57,83,157	34,15,14,538
Other income/(expense)			
Fire related expenses	L	(7,52,50,885)	(21,83,43,924)
Insurance claim recoveries	L	23,83,55,277	23,17,94,363
Interest expense	I	(1,27,46,627)	(4,09,73,607)
Payroll protection program loan forgiveness	U	16,08,74,967	-
Gain on sale of property and equipment		-	6,23,59,032
Amortization of gain on sale and leaseback	K	-	19,97,253
Other income	O	1,24,27,141	-
Total other income		32,36,59,873	3,68,33,117
Income before income tax expense		32,94,43,030	37,83,47,655
Income tax expense			
Current income tax expense	P	2,02,62,935	5,10,64,094
Deferred tax expense	P	2,56,42,531	1,36,91,925
Total income tax expense		4,59,05,466	6,47,56,019
Net income for the year		28,35,37,564	31,35,91,636

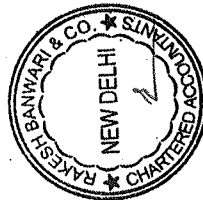
(The accompanying notes are an integral part of these consolidated financial statements)



Uniparts USA Ltd. And Subsidiary
Translated Consolidated statements of Stockholder's Equity for the years ended March 31, 2021 and March 31, 2020

Particulars	Convertible, callable preferred stock		Common stock		Additional paid-in capital	Retained earnings	Foreign currency translation reserve	Total stockholder's equity
	Shares	Value	Shares	Value				
Balance as at March 31, 2019	8,00,000	34,97,60,000	2,000	8,74,400	-	1,25,96,05,541	20,42,69,400	1,81,45,09,341
Net income for the year	-	-	-	-	-	31,35,91,636	-	31,35,91,636
Employee stock options	-	-	-	-	6,77,683	-	-	6,77,683
Exchange difference	-	-	-	-	-	(2,62,61,374)	4,93,23,000	2,30,61,626
Balance as at March 31, 2020	8,00,000	34,97,60,000	2,000	8,74,400	6,77,683	1,54,69,35,803	25,35,92,400	2,15,18,40,286
Net income for the year	-	-	-	-	-	28,35,37,564	-	28,35,37,564
Employee stock options	-	-	-	-	7,06,044	-	-	7,06,044
Exchange difference	-	-	-	-	-	(32,60,833)	(1,75,83,499)	(2,08,44,332)
Balance as at March 31, 2021	8,00,000	34,97,60,000	2,000	8,74,400	13,83,727	1,82,72,12,534	23,60,08,901	2,41,52,39,562

(The accompanying notes are an integral part of these consolidated financial statements)



Uniparts USA Ltd. And Subsidiary

Translated Consolidated Statement of Cash Flows for the years ended March 31, 2021 and March 31, 2020

(Amount in INR)

Particulars	For the year Ended March 31, 2021	For the year Ended March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	28,35,37,564	31,35,91,636
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	6,01,22,351	4,02,23,574
Provision for employee stock options	7,16,468	6,37,746
Provision for inventory and inventory written off (Note E)	13,56,01,211	2,12,70,000
Provision for doubtful debts	(37,16,622)	-
Deferred income tax expense	2,56,42,531	1,36,91,854
Amortization of gain on sale and leaseback	-	(19,97,253)
Insurance claim recovery for property and equipment	(16,84,71,369)	(31,17,189)
Loss on assets written off/(gain) on sale of property	73,06,236	(6,23,59,032)
Changes in operating assets and liabilities, net		
Accounts receivable	5,03,32,023	3,25,02,333
Inventories	18,42,88,371	16,72,82,524
Prepaid expenses and other current assets	(5,08,53,414)	21,77,410
Other receivables	5,94,02,261	(4,89,81,832)
Accounts payable	(4,35,39,829)	(22,59,42,915)
Accrued expenses	(7,99,48,457)	5,91,58,818
Insurance claim recoveries in advance	(4,85,13,610)	1,44,32,262
Due to related parties	(23,02,22,267)	22,62,12,406
Provision for taxation, net of advance taxes	(20,46,298)	-
Deferred rent and deferred gain on sale and leaseback	10,60,895	52,10,299
Net cash provided by operating activities	18,06,98,045	55,39,92,641
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property	-	12,50,65,898
Purchase of property and equipment	(2,19,63,469)	(6,29,74,373)
Acquisition of capitalized software	-	(1,07,30,077)
Insurance claim recovery for property and equipment (including advance)		
	16,84,71,369	3,50,22,189
Net cash provided by investing activities	14,65,07,900	8,63,83,637
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) of/ proceeds from line of credit, net	(40,25,78,462)	(35,65,97,789)
Repayments of debt	(2,48,95,257)	(7,53,74,003)
Net cash used in financing activities	(42,74,73,719)	(43,19,71,792)
Net changes in cash and cash equivalents	(10,02,67,774)	20,84,04,486
Cash and cash equivalents at beginning of the year	7,17,29,783	97,84,089
Foreign currency translation reserve	4,60,79,727	(14,64,58,793)
Cash and cash equivalents at the end of year	1,75,41,736	7,17,29,782
SUPPLEMENTARY OF CASH FLOW INFORMATION		
Cash paid for interest	1,39,59,768	4,32,13,905
Cash paid for income taxes	8,05,75,923	4,14,28,784
SUPPLEMENTARY DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Acquisition of capitalized software	-	1,63,41,316

(The accompanying notes are an integral part of these consolidated financial statements)



Uniparts USA Ltd. And Subsidiary
Translated Notes to the Consolidated Financial Statements
March 31, 2021 and March 31, 2020

NOTE A – ORGANIZATION AND NATURE OF OPERATIONS

The operations of Uniparts USA Ltd. and its Subsidiary, Uniparts Olsen Inc. (collectively the "Company") consist of the machining of metal parts and components as well as the purchasing of machine parts from related party and third-party vendors for resale. The Company sells its products primarily to agricultural and construction equipment manufacturers in the United States on credit terms the Company establishes with each customer.

Uniparts USA Ltd. is a wholly owned subsidiary of Uniparts India Limited (the "Ultimate Parent").

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements are as follows:

(a) Basis of Preparation

- i. The accompanying consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States ("US GAAP") to reflect the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiary.
- ii. The consolidated financial statements are for the years April 01, 2020 to March 31, 2021 and April 01, 2019 to March 31, 2020.
- iii. Certain reclassifications have been made in the consolidated financial statements of prior periods to conform to the classifications used in the current year. These changes had no impact on previously reported net income or retained earnings.

(b) Principles of Consolidation

The consolidated financial statements include the accounts of Uniparts USA Ltd. (the "Parent") and its wholly owned subsidiary, Uniparts Olsen Inc. (the "Subsidiary"). All significant intercompany accounts and transactions have been eliminated.

(c) Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used in determining, among other items, accounts receivable allowances, inventory valuation (which includes allowance for obsolescence and standard labor and overhead rates capitalized in inventory), goodwill impairment, medical insurance accruals, useful lives of tangible and intangible assets, provisions for warranty costs and deferred income taxes. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with maturities of three months or less at the time of acquisition to be cash equivalents for consolidated financial statement purposes. Cash and cash equivalents comprise of cash in hand, check in transit and balance with banks.

(e) Accounts Receivable

Accounts receivable are non-interest-bearing, customer obligations due under normal trade terms, usually within 30 days of services provided. Customer account balances with invoices dated over 90 days are considered delinquent. The Company applies collections of accounts receivable to specific invoices in accordance with customer specifications, or if unspecified, to the oldest outstanding invoices.

The Company carries its accounts receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on a history of past write-offs and collections, and current credit conditions. The Company will turn an account over for collection or write balances off as uncollectible based on the facts and circumstances of each situation. As of March 31, 2021, and March 31, 2020, the allowance for doubtful accounts amounted to Rs. 2,92,600/- and Rs. 41,43,700/-, respectively.



Uniparts USA Ltd. And Subsidiary
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(f) Inventories

Inventories, which consist primarily of construction, agricultural and forestry equipment parts and supplies are stated at the lower of cost or net realizable value and are net of an estimated allowance for obsolescence. Cost is determined using the average cost method and items are relieved from inventory on a first-in first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(g) Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Leasehold improvements are amortized over the shorter of the term of the lease or the life of the assets. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets as follows:

Class of asset	Estimated useful life (years)
Shop equipment	3-10
Office equipment	3-7
Computer equipment	3-5
Furniture and Fixtures	7
Vehicle	5
Building	5-10
Software	3-5

Expenditures for maintenance and repairs are charged to expense as incurred.

(h) Capitalized Software Costs

The Company has developed an integrated software system and associated costs have been capitalized in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 350 "Intangibles - Goodwill and Other." Upon implementation of the system, the costs are amortized over a period of three years.

(i) Goodwill

The Company evaluates goodwill when internal and external factors exist which indicate that the book value of goodwill could be impaired. Prior to adoption of the accounting pronouncement relating to goodwill, the Company recorded accumulated amortization of goodwill of Rs. 11,46,59,992/-. Based on an impairment analysis, the management has assessed that goodwill is not impaired as of March 31, 2021 and March 31, 2020.

(j) Valuation of long-lived assets

The Company reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no impairment assessment was required for the periods presented in the financial statements.

(k) Fair Value of Financial Statements

The carrying value of financial instruments including cash, accounts receivable and accounts payable approximates fair value due to the short maturity of these instruments. The carrying amounts of long-term debt approximate fair value as the interest rates used approximate current interest rates available.

(l) Warranties

Provisions for warranty costs are recognized at the date of sale of the relevant products, at management's best estimate of the expenditure required to settle the Company's obligation, net of warranties provided by suppliers.

(m) Revenue recognition

Effective April 01, 2019, the Company has adopted FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). Revenue is recognized upon transfer of control of products or services promised to customers in an amount that reflects the consideration the Company expects to receive in exchange for these products or services. The Company adopted modified-retrospective approach for adoption of Accounting Standards Codification ("ASC") 606 and the provisions did not have a material impact on the Company's financial statements, although the financial statement presentation and disclosures have changed. Please refer to Note M "Revenue from Contracts with Customers" for further information on the Company's revenue.

The core principle of ASC 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is recognized when obligations under the terms of a contract with a customer are satisfied; generally, this occurs with the transfer of control of the Company's products or services. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in the contract. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied.



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Revenues related to sale of products is recognized at a point in time when control of the asset is transferred to the customer based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of physical possession, the transfer of control, and acceptance by the customer. In case of product sales undertaken by the Company, sales are recognized when control of the products has transferred, being when the products are either picked up by customer or shipped from the warehouse, as agreed in the contract, the entity has right to payment and has transferred legal title to a customer. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated trade discounts, rebates and allowances.

(n) Shipping and Handling Cost

The Company classifies freight billed to customers as sales revenue, which is generally included in the list price to the customer. Freight costs are considered as fulfillment cost and recorded as a cost of product revenue. The Company does not consider shipping to be a separate performance obligation.

(o) Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the consolidated financial statement carrying amounts and the tax basis of existing assets and liabilities. Deferred income taxes result primarily from temporary differences related to accounts receivable, inventory, net property and equipment, net goodwill, accrued expenses and deferred rent for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax expense or benefit is recognized as a result of the change in the deferred tax assets or liabilities during the year.

The Company files consolidated tax returns in the U.S. federal jurisdiction as well as various states. Furthermore, the Company has no income tax related penalties or interest for the periods reported in these consolidated financial statements.

The Company has not recognized any uncertain tax positions in the consolidated financial statements as at March 31, 2021 and March 31, 2020.

(p) Operating Leases

Lease rent expenses on operating leases are charged to expense over the lease term. Rent expense for such leases is recognized on a straight-line basis over the lease term.

(q) Stock Based Compensation to Employees

The Company accounts for stock-based compensation expense relating to equity stock options that will be settled in shares of Uniparts India Limited, ultimate parent company. The Company computes the fair value of options granted using Black Scholes option pricing model. An amount equal to such compensation expense for the year is credited to additional paid-in capital of the Company.

The Company has used guidance in ASC 718; "Compensation-Stock Compensation" to account for employee share-based payments. ASC 718 requires share-based payments to employees, including grants of employee stock options and purchases under employee stock purchase plans, to be recognized in statements of income based on their fair values.

In accordance with ASC 718, the Company recognized stock-based compensation for awards granted by the ultimate parent company, that are expected to vest on a straight-line basis over the requisite service period of the awards. In respect of awards that have a graded vesting schedule and with only service conditions, compensation cost is recognized on straight line basis over the requisite service period for each separately vesting portion of the award as if the award was-in-substance, multiple awards. In determining whether an award is expected to vest, the Company uses an estimated forfeiture rate based on historical rates. The estimated forfeiture rate is updated for actual forfeitures annually.



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(r) Retirement Benefits to Employees

Contributions to defined contribution plans are charged to statements of income in the period in which they accrue.

(s) Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigations, fines, penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

(t) Insurance Recoveries

A potential insurance recovery is evaluated and accounted for separately from the related loss and does not affect the recorded amount of the loss. An asset relating to an insurance recovery is recognized only when realization of the claim is deemed probable, and only to the extent of the related loss recognized in the financial statements. Any amount expected to be recovered in excess of the recognized loss, which will result in a gain, is not recognized until any contingencies relating to the insurance claim have been resolved. A contingent gain is not recognized until realized. The recovery of a loss is generally considered probable if there is a legally enforceable contract that stipulates the terms of the insurance coverage and the terms are not in dispute.



Uniparts USA Ltd. And Subsidiary
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NOTE C - CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Cash in hand	8,924	10,397
Check in transit*	-	5,57,91,756
Balances with banks in checking accounts	1,75,32,812	1,59,27,629
Total	1,75,41,736	7,17,29,782

Cash balances with the bank are insured by the Federal Deposit Insurance Corporation up to an aggregate of Rs. 1,82,87,500/- (March 31, 2019: Rs. 1,88,35,000/-).

*Check in transit includes the check issued by the insurance company pursuant to fire related claims (Refer Note L); but not received and deposited by the Company as of March 31, 2020.

NOTE D- ACCOUNTS RECEIVABLE

The Company's accounts receivable primarily relate to sale of goods to outside customers. Accounts receivable comprise the following:

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Receivable from customers	51,71,00,862	58,37,36,959
Less: Allowance for doubtful accounts	(2,92,600)	(41,43,700)
Accounts receivable, net	51,68,08,262	57,95,93,259

All the account receivable of the Company are collateralized as security against the line of credit (Refer Note I).

NOTE E - INVENTORIES

The composition of inventories as of March 31, 2021 is as follows:

(Amount in INR)

Particulars	Total	Obsolescence Allowance	Net Amount
Raw materials	12,12,40,419	(2,48,71,000)	9,63,69,419
Work-in-progress	9,79,53,921	(73,15,000)	9,06,38,921
Finished goods	1,28,15,94,291	(4,71,81,750)	1,23,44,12,541
Supplies	13,33,84,124	-	13,33,84,124
Total	1,63,41,72,755	(7,93,67,750)	1,55,48,05,005

During the year ended March 31, 2021, the Company has written off inventory worth of Rs. 105,397,446/- (March 31, 2020: Rs. Nil) on account of obsolete and slow-moving inventory for discontinued projects. The inventory written off has been included under cost of goods sold in the consolidated statements of income.

The composition of inventories as of March 31, 2020 is as follows:

(Amount in INR)

Particulars	Total	Obsolescence Allowance	Net Amount
Raw materials	18,63,03,615	-	18,63,03,615
Work-in-process	10,26,42,915	(75,34,000)	9,51,08,915
Finished goods	1,57,83,17,248	(4,52,04,000)	1,53,31,13,248
Supplies	11,15,00,789	-	11,15,00,789
Total	1,97,87,64,567	(5,27,38,000)	1,92,60,26,567

All the inventories of the Company are collateralized as security against the line of credit (Refer Note I).



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NOTE F - PROPERTY AND EQUIPMENT, NET

Property and equipment comprise of the following:

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Leasehold improvements	1,59,52,771	1,59,92,196
Shop equipment	75,08,67,706	93,20,18,106
Office equipment	6,60,21,825	6,67,14,700
Computer equipment	1,93,97,405	1,99,78,134
Software	5,74,959	5,92,172
Furniture & Fixtures	24,53,305	25,26,753
Vehicles	2,52,10,124	2,59,64,876
Property and Equipment, Gross	88,04,78,095	1,06,37,86,937
Accumulated Depreciation	(73,26,25,779)	(88,78,56,510)
Property and Equipment, Net	14,78,52,316	17,59,30,427

Total depreciation expense for the years ended March 31, 2021 and March 31, 2020 was Rs. 4,64,15,504/- and Rs. 3,66,94,272/- respectively.

All the property and equipment of the Company are collateralized as security against the line of credit (Refer Note I).

NOTE G - SOFTWARE

Information regarding the Company's other intangible assets acquired either individually, or with a group of other assets is as follows:

Particulars	Useful Life	As at March 31, 2021		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying amount
Definite Life Intangibles				
Software	3	4,11,20,541	(1,71,33,559)	2,39,86,982
Total		4,11,20,541	(1,71,33,559)	2,39,86,982

Particulars	Useful Life	As at March 31, 2020		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying amount
Definite Life Intangibles				
Software	3	4,23,51,627	(35,29,302)	3,88,22,325
Total		4,23,51,627	(35,29,302)	3,88,22,325

The Company's estimated annual amortization expense in future years for the intangible assets is as follows:

Year ending March 31,	Total
2022	1,37,06,847
2023	1,02,80,135
Total	2,39,86,982

During the year ended March 31, 2021, the Subsidiary incurred Rs. Nil (March 31, 2019: Rs. 2,87,66,696/-) of expenses related to software and implementation of a new ERP system - BAAN. The ERP software has been completed and capitalized during the year ended March 31, 2020. The amortization expense is Rs. 1,37,06,847 and Rs. 34,26,712/- for the years ended March 31, 2021 and March 31, 2020, respectively. A portion of the costs related to the software was incurred by the Company's ultimate parent, Uniparts India Limited, and has been included in the amount due to related parties (refer Note R) on the consolidated balance sheets as of March 31, 2020.



NOTE H - RISK CONCENTRATIONS

Credit Risk

The Company's financial instruments that are exposed to concentration of credit risk consist primarily of trade accounts receivable.

For the year ended March 31, 2021 and March 31, 2020, the Company's two largest customers accounted for approximately 53% and 71% of revenues, respectively. Three customers accounted for approximately 59% and 63% of net accounts receivable as of March 31, 2021 and March 31, 2020, respectively. Generally, the Company does not obtain security from its customers in support of accounts receivable. Potential losses from concentrations of credit risk with respect to trade accounts receivable are considered to be limited due to the Company's ongoing credit evaluation of its customers.

Foreign Risk

The Company purchases a significant amount of materials from affiliates located in India. This source of materials may be subject to unpredictable changes and delays due to legal, political, and climate conditions. See Note S – "Related Party Transactions" for further information.

Economic/Political Risk

The United States government has called for substantial changes to its trade policy and, in certain instances, has enacted and assessed tariffs on specific products imported from certain foreign countries; conversely, certain foreign countries have enacted tariffs on specific products exported by U.S. based companies.

The results of discussions and negotiations among these affected countries is subject to a number of factors and the magnitude of the impact on the Company cannot be predicted with any degree of certainty. Changes in international trade agreements, regulations, restrictions, and tariffs may increase the Company's operating costs and make it more difficult to compete in the U.S. markets; as a result, its business, demand for products, financial condition and results of operations could be adversely impacted. The Company is actively monitoring the status of these discussions and market reactions.

In view of the unprecedented COVID-19 pandemic and economic forecasts, the management has assessed the recoverability of its assets including receivables & inventories. In such assessment, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

NOTE I – LINE OF CREDIT

Line of Credit

In March 2020, the Subsidiary renewed its revolving line of credit to extend the term of the line of credit to March 31, 2021. During the year ended March 31, 2021, the line of credit was further renewed till March 31, 2022 and revised to the amount of Rs. 25,60,25,000/- for the Subsidiary. Additionally, the Subsidiary must pay a non-usage fee on the average daily unused portion of the facility at a rate of 0.25% per annum, payable in arrears within thirty days of the end of each calendar month for which the fee is due. The line of credit has a variable interest rate calculated as a "floating rate" which is a "base rate" determined by LIBOR plus a variable "margin rate" based on the utilization of the credit line. The average interest rate for the years ended March 31, 2021 and 2020 was approximately 2.40% and 4.35%, respectively. The credit line is collateralized by substantially all assets of the Subsidiary and cross-collateralized with a term loan at the bank. This line of credit is secured by a corporate guarantee by the Parent.



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The Subsidiary has drawn down Rs. 2,39,60,356/- and Rs. 36,17,03,121/- on the line of credit as of March 31, 2021 and March 31, 2020, respectively. Interest expense relating to this credit line was Rs. 1,90,58,204/- and Rs. 2,04,72,856/- for the years ended March 31, 2021 and March 31, 2020, respectively.

In March 2020, the Parent renewed its revolving line of credit arrangement of Rs. 37,67,00,000/- till March 31, 2021. During the year ended March 31, 2021, the line of credit was further renewed till March 31, 2022 and revised to the amount of Rs. 25,60,25,000/-. Additionally, the Parent must pay a non-usage fee on the average daily unused portion of the facility at a rate of 0.25% per annum, payable in arrears within thirty days of the end of each calendar month for which the fee is due. The line of credit has a variable interest rate calculated as a "floating rate" which is a "base rate" determined by LIBOR plus a variable "margin rate" based on the utilization of the line. The average interest rate for the years ended March 31, 2021 and 2020 was approximately 3.21% and 4.36%, respectively. The line is collateralized by substantially all assets of the Parent, cross-collateralized with a term loan at the bank. The Subsidiary has guaranteed the financial performance of the Parent's liabilities as this institution.

The Parent has drawn balances of Rs. 15,36,15,000/- and Rs. 22,97,87,000/- as of March 31, 2021 and March 31, 2020, respectively. Interest expense relating to this line was Rs. 69,37,981/- and Rs. 1,75,73,912/- for the years ended March 31, 2021 and March 31, 2020, respectively.

NOTE J – NOTES PAYABLE

The Subsidiary had capital expenditure non-revolving note facility with a bank ("capex line of credit"). The interest rate that is due monthly is 2.0% plus an adjusted LIBOR. The debt is collateralized by substantially all assets of the Subsidiary. The loan is also secured by a corporate guarantee by the Parent. There are four notes converted to term loans under the agreement with varying monthly instalments and maturity dates included in the following table. On March 29, 2021, the Subsidiary executed interim promissory note with the bank with a credit limit of Rs. 7,31,50,000/- with an original principal repayment date of March 31, 2022. As per the agreement, if the principal balance under this line of credit note is not fully repaid, it shall be converted to a term loan and shall be governed by a separate term note agreement. If the principal balance is fully repaid by the original on or before the repayment date, the Subsidiary shall be required to pay prepayment fee of 5% on the principal balance repaid as described the agreement.

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Uniparts USA Ltd.		
Note payable to bank, interest at 5.29%, with fixed monthly payments of Rs. 57,496/-, including interest, through June of 2021, collateralized by equipment.	1,42,862	8,57,747
Note payable to bank, interest at 3.99%, with fixed monthly payments of Rs. 10,095/-, including interest, through April of 2024, collateralized by equipment.	3,51,413	4,69,745
Uniparts Olsen Inc.		
Note payable of Rs. 3,78,55,125/- due in monthly instalments of Rs. 6,30,919/- bearing interest at 4.85% through April 2020	-	6,49,808
Note payable of Rs. 3,26,19,633/- due in monthly instalments of Rs. 5,43,651/- bearing interest at 4.85% through March 2021	-	67,19,273
Note payable of Rs. 2,74,42,661/- due in monthly instalments of Rs. 4,57,626/- bearing interest at 4.85% through April 2022	59,49,143	1,17,83,402
Note payable of Rs. 5,54,59,623/- due in monthly instalments of Rs. 9,24,323/- bearing interest at 4.49% through April 2024	3,41,27,108	4,65,72,551
Less: current portion	(1,67,26,260)	(2,52,38,524)
Long-term debt, net of current portion	2,38,44,266	4,18,14,002



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In connection with the line of credit, the Company is subject to certain restrictive and financial covenants, including limitations on additional borrowing, minimum fixed charge coverage ratio requirements, and maximum funded debt to EBITDA ratio requirements. Additionally, the Company may not redeem any of its equity interests or return any contribution to an owner other than stock dividends.

Future annual maturities of the long-term debt:

Year ending March 31:	(Amount in INR)
2022	1,67,26,260
2023	1,15,49,507
2024	1,14,43,293
2025	8,51,466
	4,05,70,526

NOTE K – SALE – LEASEBACK

In March 2002, Olsen Engineering, LP (predecessor to the Subsidiary) sold its operating facilities to Pin House, LLC resulting in a loss of Rs. 3,15,32,992/- to be recognized over the life of the lease in accordance with generally accepted accounting principles. The owners of Pin House, LLC owned approximately 87% of Olsen Holding, LP, the former 99% limited partner of Olsen Engineering, LP. These facilities were then leased back to the Subsidiary. The accumulated loss recognized through March 2007 was Rs. 1,04,15,075/-. The remaining deferred loss of Rs. 1,75,62,345/- will be recognized over the remaining lease period.

In August 2004, Pin House, LLC sold the operating facilities to a third party resulting in a gain of Rs. 6,82,63,807/-. In accordance with generally accepted accounting principles, the gain on the sale-leaseback is recognized over the fifteen-year lease period. The gain recognized during the year ended March 31, 2021 and March 31, 2020 is Rs. Nil and Rs. 19,97,253/-, respectively.

NOTE L – FIRE RELATED EXPENSES AND INSURANCE CLAIM RECOVERIES

During October 2019, the Company had an incident of fire in the plant and suffered property damages. The Company applied for insurance claim and the same has been settled during the year ended March 31, 2021. The Company has recognized the claim to the extent it has been approved and received from the insurance company and related expenses have been incurred.

The Company incurred expenses related to fire amounting to Rs. 7,52,50,885/- and Rs. 21,83,43,924/- for the year ended March 31, 2021 and March 31, 2020 respectively and has recognized insurance claim recoveries amounting to Rs. 23,83,55,277/- and Rs. 23,17,94,363/- during the year ended March 31, 2021 and March 31, 2020, respectively. The Company has receivables for insurance claim amounting to Rs. Nil and Rs. 6,02,90,458/- as at March 31, 2021 and March 31, 2020, respectively and advance insurance claim recovery amounting to Rs. Nil and Rs. 4,92,39,060/- as at March 31, 2021 and March 31, 2020, respectively.



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NOTE M – COMMITMENTS AND CONTINGENCIES

Lease Obligations

The Company has various operating leases and two building leases as of March 31, 2021. Total lease expense was approximately Rs. 6,40,01,329/- and Rs. 7,81,06,631/- for the years ended March 31, 2021 and March 31, 2020, respectively. Under the terms of the building lease, the Subsidiary is responsible for all repairs, maintenance, insurance, real estate taxes and utilities on its respective lease. The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining non-cancellable lease terms in excess of one year as of March 31, 2021.

Year ending March 31:	(Amount in INR)			
	Equipment	Building	Vehicle	Total
2022	56,838	4,47,20,106	33,98,842	4,81,75,786
2023	-	4,54,91,839	33,98,842	4,88,90,681
2024	-	3,19,14,760	30,91,319	3,50,06,079
2025	-	2,80,28,227	5,17,902	2,85,46,129
Thereafter	-	13,99,90,739	-	13,99,90,739
	56,838	29,01,45,671	1,04,06,905	30,06,09,414

The Subsidiary has a standby letter of credit for Rs. 88,21,725/- with a bank, at March 31, 2019, to secure the lease for the building. The letter of credit is secured by all assets of the Subsidiary and a guarantee by the Parent. As of March 31, 2020, the standby letter of credit has been revoked by the bank.

The Parent utilizes a warehouse to manage and store its finished goods. The warehouse agreement was signed on May 31, 2018 and expires on June 30, 2023. The Parent pays rentals of Rs. 15,11,425/- per month (including fence fees of Rs. 45,499/- per month) (March 31, 2020: Rs. 15,56,675/-) for the full five-year term.

NOTE N - REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table presents revenue disaggregated by product line:

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue from sale of goods	3,92,41,62,121	4,75,53,00,010
Total	3,92,41,62,121	4,75,53,00,010

The following table presents revenue disaggregated by timing of recognition:

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
At a point in time	3,92,41,62,121	4,75,53,00,010
Total	3,92,41,62,121	4,75,53,00,010



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Consignment sales

The Subsidiary has consignment transaction with single consignor for sale of specified goods to the customer in accordance with instructions provided by the consignor. The revenue from such transactions is recognized on a net basis, as other revenue in the consolidated statements of income. For the year ended March 31, 2021, value of sales and purchase on consignment basis is as follows:

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	
Sale of Goods	2,29,96,231	
Purchase of Goods	1,87,86,500	
Other Revenue	42,09,731	

Contract balances

The Company's contracts with customers typically consist of sale of products which represent performance obligations that are satisfied upon transfer of control of the product to the customer at a point in time. The Company adopted the new revenue recognition standard using the modified retrospective transition approach and determined that the existing revenue recognition practices comply with ASC 606. Accordingly, there was no cumulative effect adjustment to the opening balance of retained earnings in the consolidated balance sheet as at March 31, 2021, as the adoption did not result in a change to the timing of revenue recognition.

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Accounts receivable	51,68,08,334	57,95,93,257
Total	51,68,08,334	57,95,93,257

NOTE O – OTHER INCOME

Other income comprises of the following:

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Other Insurance Claims	79,68,219	-
Provision for Doubtful Debts written back	37,16,622	-
Economic Injury Disaster Loan Income (EIDL)	7,42,300	-
Total	1,24,27,141	-



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NOTE P - INCOME TAXES

For the years ended March 31, 2021 and March 31, 2020, the Company files federal and state tax returns as per regulations applicable to Chapter C corporations in the United States.

The provision for income tax expense is as follows:

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Federal		
Current	1,18,52,602	3,77,56,590
Deferred	2,35,39,447	1,39,50,000
State		
Current	84,10,333	1,33,07,576
Deferred	21,03,084	(2,58,147)
Total	4,59,05,466	6,47,56,019

The following is the summary of items giving rise to deferred tax assets and deferred tax liabilities

Particulars	(Amount in INR)	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets:		
Accrued expenses	87,79,536	1,13,24,203
Allowance for doubtful accounts	72,784	10,44,966
Deferred rent	15,95,109	13,96,352
Inventory	2,78,54,935	2,41,03,526
Total	3,83,02,364	3,78,69,047
Less: Valuation allowance	-	-
Deferred tax assets, net	3,83,02,364	3,78,69,047
Deferred tax liability		
Property and equipment	(4,44,18,070)	(5,85,45,885)
Goodwill	(12,55,62,414)	(13,12,88,463)
Casualty gain deferral	(4,07,28,091)	-
Prepaid expenses	(21,62,460)	(18,03,790)
Deferred tax liability	(21,28,71,035)	(19,16,38,138)
Deferred liability, net	(17,45,68,671)	(15,37,69,091)

In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all of the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

Accounting for uncertain tax position

The Company recognizes the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The adoption of this standard had no material effect on the Company's financial position, results of operation or cash flows

The tax years of 2017 through 2019 remain subject to examination by the taxing authorities.



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NOTE Q - EMPLOYEE BENEFITS

The Company has a defined contribution plan ("the Plan") under Section 401(k) of the Internal Revenue Code which covers substantially all regular full-time employees who have attained the defined age and service requirements.

The Plan provides for employee and discretionary employer matching contributions. Employer contributions to the Plan approximated Rs. 24,93,757/- and Rs. 74,86,234/- for the years ended March 31, 2021 and March 31, 2020, respectively.

The Subsidiary has elected to be self-insured for its group health and dental plan which covers all employees and their immediate families up to a maximum annual claim of Rs. 58,52,000/- per individual with an aggregate annual ceiling of approximately Rs. 8,77,80,000/-. Insurance coverage has been obtained for claims in excess of these levels. With effect from June 01, 2020, the Subsidiary discontinued its self-insured plan and outsourced its medical and dental plan to an outside third-party vendor.

The amount of expenses relating to the Plan approximated Rs. 3,44,24,459/- and Rs. 5,95,38,913/- for the years ended March 31, 2021 and March 31, 2020, respectively. Claims incurred but not reported for which the Subsidiary is liable were approximately Rs. Nil and Rs. 64,03,900/- as of March 31, 2021 and March 31, 2020, respectively. Incurred but not reported claims are included in accrued expenses in the accompanying consolidated balance sheets.

Similarly, expenses incurred by the Parent relating to the group health and dental plan approximated Rs.1,19,74,264/- and Rs.1,23,35,324/- for the years ended March 31, 2021 and March 31, 2020, respectively.

NOTE R - STOCK COMPENSATION EXPENSE

Uniparts India Limited ("UIL"), the ultimate parent company, issued stock option incentive plans, under which the employees of the Company may subscribe to stock options. Under the plan, stock options to purchase UIL's common stock may be granted to employees at prices not lower than fair value at the date of grant. Stock options have a maximum term of 15 years.

Activity under the plan to the extent related to employees of the Subsidiary:

(Amount in INR)

Balance as on	Number of stock options	Weighted-average exercise price (INR)	Weighted average remaining contractual life (Years)	Aggregate intrinsic value
March 31, 2019	20,000	52.50	14.04	5,10,345
Granted	25,000	52.50	15.00	9,37,154
Exercised	-	-	-	-
Forfeited	-	-	-	-
March 31, 2020	45,000	52.50	14.04	14,47,499
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
March 31, 2021	45,000	52.50	13.04	14,02,139
Options vested and exercisable	6,600	-	-	-



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The weighted average exercise price of options is Indian Rupee 52.50 which is equivalent to \$0.74. The Company has recognized Rs. 7,16,468/- and Rs. 6,37,746/- as stock-based compensation expense for the years ended March 31, 2021 and March 31, 2020, respectively.

Additionally, an employee of the Parent had been issued 21,826 stock options of UIL during the previous years which were fully vested during the year ended March 31, 2012 and remains unexercised as at March 31, 2021.

The following table summarizes information about the pre-tax intrinsic value of options exercised, and the weighted average grant date fair value per share of options granted.

Particulars	(Amount in INR)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Intrinsic value of options exercised	-	-
Weighted average fair value of stock options granted	-	84.38

The grant date fair value of options has been estimated using the Black-Scholes single option pricing model with following assumptions:

Risk free interest	6.49% - 6.73%
Expected dividend yield	0.93%
Expected life of option in years	8.50 - 9.50
Weighted average expected volatility	14.74% - 14.84%

NOTE S - RELATED PARTY TRANSACTIONS

The Company purchases materials from entities located in India that share common ownership with the Company. Purchases from these related companies approximated Rs. 1,90,53,35,640/- and Rs. 2,11,74,26,798/- for the years ended March 31, 2021 and March 31, 2020, respectively. Additionally, there is approximately Rs. 21,72,27,776/- and Rs. 45,73,96,222/- due to these related companies as of March 31, 2021 and March 31, 2020, respectively. These amounts will be paid under normal trade terms with these affiliated companies. The Company provides minimal services to the aforementioned related companies. As of March 31, 2021, and March 31, 2020 and for the years then ended, sales to these related parties and the related accounts receivable are immaterial to the consolidated financial statements.

During the year ended March 31, 2020, UIL, incurred costs related to the Company's purchase of software and the implementation of a new ERP system (see Note G). As at March 31, 2021 and March 31, 2020, balance due to UIL was Rs. Nil and Rs. 1,73,64,665/-, respectively.

NOTE T - STOCKHOLDER'S EQUITY

Convertible, callable preferred stock

All 800,000 shares of preferred stock are convertible, at the option of the holder, into shares of common stock. Each share of preferred stock may be converted into Rs. 437.20 (\$10) worth of common stock. The number of common shares received will be based on the fair market value of common stock on the date of the conversion. The Company, at its discretion, may call preferred stock at the rate of Rs. 437.20 (\$10) per share. There are 800,000 shares of preferred stock, Rs. 437.20 (\$10) par value, authorized, issued and outstanding as of March 31, 2021 and March 31, 2020.

Dividend rights for holders of convertible preferred stock are identical to the dividend rights of common stockholders.

Common stock

There are 300,000 shares of common stock, Rs. 437.20 (\$10) par value, authorized, and 2,000 shares issued and outstanding as of March 31, 2021 and March 31, 2020. Shares of common and preferred stock have identical ownership interests in the Company.



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NOTE U - PAYCHECK PROTECTION PROGRAM ("PPP")

In response to the COVID-19 pandemic, the PPP was established under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and administered by the U.S. Small Business Administration ("SBA"). Companies who met the eligibility requirements set forth by the PPP could qualify for PPP loans provided by local lenders, which supports payroll, rent and utility expenses ("qualified expenses"). If the loan proceeds are fully utilized to pay qualified expenses over the covered period, as further defined by the PPP, the full principal amount of the PPP loan may qualify for loan forgiveness, subject to potential reduction based on the level of full-time employees maintained by the organization during the covered period as compared to a baseline period.

The Company received a loan from Chase Bank in the amount of Rs. 15,85,34,338/- under the PPP, out of which Rs. 14,55,10,638/- was reimbursed to the Subsidiary. The Company applied for forgiveness as at March 31, 2021 and are awaiting the approval. The Company and the SBA Lender has performed initial calculations for the PPP loan forgiveness according to the terms and conditions of the SBA's Loan Forgiveness Application and, based on such calculations, expects that the PPP loan will be forgiven in full. In addition, the Company has determined that it is probable the Company will meet all the conditions of the PPP loan forgiveness.

As such, the Company has decided that the PPP loan should be accounted for as a government grant which analogizes with International Accounting Standards ("IAS") 20, Accounting for Government Grants and Disclosure of Government Assistance. Under the provisions of IAS 20, "a forgivable loan from government is treated as a government grant when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan."

The income statement impact of any loan forgiveness under IAS 20 may either be presented separately or be offset against the related expenses. The Company has elected to present separately, income from PPP loan forgiveness on the consolidated statement of income totalling to Rs. 15,85,34,338/- during the year ended March 31, 2021.

NOTE V - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through July 26, 2021, which is the date these consolidated financial statements were available to be issued. Based upon this evaluation the Company is not aware of any events or transactions that would require recognition or disclosure in the consolidated financial statements.

NOTE W - TRANSLATION OF FINANCIAL STATEMENT INTO PRESENTATION CURRENCY

The Company's Financial Statements are prepared using its Functional Currency which is US Dollar. The same is translated into Indian Rupee in line with the requirement of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; The following Foreign Currency Exchange rates were used while translating the Financial Statements.

- i. All assets and liabilities are translated using closing foreign currency exchange rate as on the last day of relevant financial year.
- ii. All incomes and expenditures are translated using average foreign currency exchange rate of the relevant financial year.
- iii. Equity instruments i.e. paid up capital and common stock are translated using foreign currency exchange rate at the date of transaction.



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Supplementary Information



Uniparts USA Ltd. And Subsidiary
Translated Consolidated Balance Sheet as at 31 March 2021

(Amount in INR)

Particulars	Uniparts USA Ltd.	Uniparts Olsen Inc.	Combined	Eliminating Adjustments	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	1,50,56,977	24,84,759	1,75,41,736	-	1,75,41,736
Accounts receivable, net	21,20,64,630	30,65,08,741	51,85,73,371	(17,65,109)	51,68,08,262
Inventories, net	57,80,30,422	97,67,74,583	1,55,48,05,005	-	1,55,48,05,005
Prepaid expenses and other current assets	2,61,39,567	3,93,67,282	6,55,06,849	-	6,55,06,849
Due from related party	-	3,81,89,933	3,81,89,933	(3,81,89,933)	-
Total current assets	83,12,91,596	1,36,33,25,298	2,19,46,16,894	(3,99,55,042)	2,15,46,61,852
Property and equipment, net	1,40,98,126	13,37,54,190	14,78,52,316	-	14,78,52,316
Capital work-in-progress	-	1,36,61,275	1,36,61,275	-	1,36,61,275
Software	-	2,39,86,982	2,39,86,982	-	2,39,86,982
Investment in subsidiary	61,20,94,695	-	61,20,94,695	(61,20,94,695)	-
Goodwill	-	50,54,40,898	50,54,40,898	33,07,31,559	83,61,72,457
Total assets	1,45,74,84,417	2,04,01,68,643	3,49,76,53,060	(32,13,18,178)	3,17,63,34,882
Liability and Stockholder's Equity					
Current Liability					
Lines of credit	15,36,15,000	2,39,60,356	17,75,75,356	-	17,75,75,356
Accounts payable	88,51,589	7,50,30,614	8,38,82,203	(25,60,250)	8,13,21,953
Due to related parties	16,78,29,727	8,67,92,841	25,46,22,568	(3,73,94,792)	21,72,27,776
Accrued expenses	1,56,51,540	4,77,58,391	6,34,09,931	-	6,34,09,931
Current portion of long-term debt	1,42,862	1,65,83,398	1,67,26,260	-	1,67,26,260
Total current liabilities	34,60,90,718	25,01,25,600	59,62,16,318	(3,99,55,042)	55,62,61,276
Long Term Debt, net of Current Portion	3,51,413	2,34,92,853	2,38,44,266	-	2,38,44,266
Deferred Rent	-	64,21,107	64,21,107	-	64,21,107
Deferred Income Tax	(10,63,967)	17,56,32,638	17,45,68,671	-	17,45,68,671
Total non current liabilities	(7,12,554)	20,55,46,598	20,48,34,044	-	20,48,34,044
Stockholder's Equity					
	34,97,60,000	-	34,97,60,000	-	34,97,60,000
Convertible, callable preferred stock, \$ 10 @ Rs. 437.20 par value, 800,000 shares authorized, issued and outstanding.					
Common stock, \$10 @ INR 437.20 par value, 300,000 shares authorized; 2,000 shares	8,74,400	-	8,74,400	-	8,74,400
Common stock, \$1 @ Rs. 45.55 par value, 612,151 shares and \$1 @ Rs. 40.29 par value 612,150 shares authorized, issued and outstanding	-	5,25,47,002	5,25,47,002	(5,25,47,002)	-
Additional Paid-in Capital	-	11,64,16,023	11,64,16,023	(11,50,32,296)	13,83,727
Retained Earnings	52,54,43,253	1,29,75,21,387	1,82,29,64,640	42,47,894	1,82,72,12,534
Foreign currency translation reserve	23,60,28,600	11,80,12,033	35,40,40,633	(11,80,31,732)	23,60,08,901
Total stockholder's equity	1,11,21,06,253	1,58,44,96,445	2,69,66,02,698	(28,13,63,136)	2,41,52,39,562
Total liabilities and stockholder's equity	1,45,74,84,417	2,04,01,68,643	3,49,76,53,060	(32,13,18,178)	3,17,63,34,882



Uniparts USA Ltd. And Subsidiary
Translated Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Amount in INR)

Particulars	Uniparts USA Ltd.	Uniparts Olsen Inc.	Combined	Eliminating Adjustments	Consolidated
Revenue, net	1,52,59,26,810	2,39,82,35,311	3,92,41,62,121	-	3,92,41,62,121
Cost of goods sold	(1,21,46,30,702)	(2,35,75,11,349)	(3,57,21,42,051)	-	(3,57,21,42,051)
Other revenues	-	42,09,731	42,09,731	-	42,09,731
Gross profit	31,12,96,108	4,49,33,693	35,62,29,801	-	35,62,29,801
Selling, general and administrative expenses	(17,07,62,863)	(17,96,83,781)	(35,04,46,644)	-	(35,04,46,644)
Income from operations	14,05,33,245	(13,47,50,088)	57,83,157	-	57,83,157
Other income/(expenses)					
Fire related expenses	-	(7,52,50,885)	(7,52,50,885)	-	(7,52,50,885)
Insurance claim recoveries	-	23,83,55,277	23,83,55,277	-	23,83,55,277
Interest expense	(71,30,237)	(56,16,390)	(1,27,46,627)	-	(1,27,46,627)
PPP loan income	1,32,15,983	14,76,58,984	16,08,74,967	-	16,08,74,967
Other income	1,78,820	1,22,48,321	1,24,27,141	-	1,24,27,141
Total other income	62,64,566	31,73,95,307	32,36,59,873	-	32,36,59,873
Income before income tax expense	14,67,97,811	18,26,45,219	32,94,43,030	-	32,94,43,030
Income tax expense					
Current tax expense	1,99,04,255	3,58,680	2,02,62,935	-	2,02,62,935
Deferred tax (benefit) expense	(9,38,787)	2,65,81,318	2,56,42,531	-	2,56,42,531
Total income tax expense	1,89,65,468	2,69,39,998	4,59,05,466	-	4,59,05,466
Net income for the year	12,78,32,343	15,57,05,221	28,35,37,564	-	28,35,37,564



Uniparts USA Ltd. And Subsidiary
 Translated Computation of Earnings Before Interest Expense, Income Taxes, Depreciation and Amortization (EBITDA) for the Year ended
 March 31, 2021

Particulars	(Amount in INR)		
	Uniparts USA Ltd.	Uniparts Olsen Inc.	Consolidated
Net income	12,78,32,343	15,57,05,221	28,35,37,564
Adjustments:			
Interest expense	71,30,237	56,16,390	1,27,46,627
Income tax expense (benefit)	1,89,65,468	2,69,39,997	4,59,05,465
Depreciation and amortization expense	68,51,814	5,32,70,537	6,01,22,351
Total adjustments	3,29,47,519	8,58,26,924	11,87,74,443
Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")	16,07,79,862	24,15,32,145	40,23,12,007

