Information Memorandum
[●], 2020

NDR Auto Components Limited

(Our Company was incorporated on March 19, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies NCT of Delhi & Haryana. The Corporate Identification Number of the Company is U29304DL2019PLC347460.There has been no change in the name of our Company since incorporation)

Regd. Office: D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020
Tel.: +91 11 4733 4100; Fax: + 91 11 2681 1676
Company Secretary & Compliance Officer: Mr. Ashutosh Vedi
Website: www.ndrauto.com, E-mail: cs@ndrauto.com

OUR PROMOTERS: MRS. SHARDA RELAN, MR. AJAY RELAN AND MR. ROHIT RELAN

INFORMATION MEMORANDUM FOR LISTING OF 59,46,326 EQUITY SHARES OF FACE VALUE RS. 10 EACH ISSUED BY NDR AUTO COMPONENTS LIMITED (THE "COMPANY" / "NACL") PURSUANT TO THE SCHEME OF ARRANGEMENT (THE "SCHEME")

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of the Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares of the Company. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk Factors' given on page 8.

ABSOLUTE RESPONSIBILITY OF NDR AUTO COMPONENTS LIMITED

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to the Company, which is material, and that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company are proposed to be listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Our Company has submitted the Information Memorandum with NSE & BSE and the same has been made available on our Company's website (www.ndrauto.com). The Information Memorandum would also be made available on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Limited
Beetal House, 3rd Floor
99 Madangir, Behind Local Shopping Centre
Near Dada Harsukhdas Mandir
New Delhi - 110 062
Contact Person : Mr. S.P. Gupta
Phone : +91 11 2996 1281
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DHARAM ASREY AGGARWAL
Digitally signed by DHARAM ASREY AGGARWAL
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Table of contents

Title	Page No.
DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS	1
CURRENCY OF FINANCIAL PRESENTATION AND USE OF MARKET DATA	4
FORWARD LOOKING STATEMENT	5
INFORMATION MEMORANDUM SUMMARY	6
RISK FACTORS	8
SUMMARY OF FINANCIAL STATEMENTS	15
GENERAL INFORMATION	18
CAPITAL STRUCTURE	20
SCHEME OF ARRANGEMENT	33
STATEMENT OF POSSIBLE TAX BENEFITS	35
INDUSTRY OVERVIEW	38
OUR BUSINESS	43
KEY INDUSTRIAL REGULATIONS	48
HISTORY AND CERTAIN CORPORATE MATTERS	50
OUR MANAGEMENT	54
OUR PROMOTER	59
GROUP COMPANIES	61
DIVIDEND POLICY	67
FINANCIAL STATEMENTS	68
STATEMENT OF ACCOUNTING RATIOS	69
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENT	70
GOVERNMENT APPROVALS	72
OTHER REGULATORY AND STATUTORY DISCLOSURES	73
MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION	76
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	92
DECLARATION	93

DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

Company related terms

Term	Description
"NACL", "the Company", "our Company", "we", "us" or "our"	Unless the context otherwise requires, refers to, NDR Auto Components Limited, a public limited company incorporated under the Companies Act, 2013
Articles / Articles of Association / AOA	The Articles of Association of our Company, as amended from time to time
Associate Company(ies) & Joint Ventures	Bharat Seats Limited, Toyota Boshoku Relan India Private Limited, Toyo Sharda India Private Limited
Statutory Auditors / Auditors	The Statutory Auditors of our Company, Gupta Vigg & Co., Chartered Accountants
Board of Directors / the Board / our Board	The Board of Directors of NDR Auto Components Limited and its committees
Directors / our Directors	The Director(s) of NDR Auto Components Limited, unless otherwise specified
Memorandum / Memorandum of Association / MOA	The Memorandum of Association of our Company, as amended from time to time
Registered Office / Our Registered Office	Registered Office of our Company situated at D - 188, Okhla Industrial Area, Phase-I, New Delhi - 110 020
Promoter(s)	Mrs. Sharda Relan, Mr. Ajay Relan and Mr. Rohit Relan
Promoter Group	Mrs. Ritu Relan, Mrs. Mala Relan, Ms. Aashita Relan, Mr. Rishabh Relan, Mr. Aashim Relan, Mr. Pranav Relan, Mr. Ayush Relan, Narinder Dev Relan (HUF), Ajay Relan (HUF), Rohit Relan (HUF), Mrs. Indira Chowdhry, Bharat Seats Limited, Relan Industrial Finance Limited, Progressive Engineering and Automation Private Limited, Sharda Auto Solution Private Limited, Sharda Inoac Private Limited, Sharda Enterprises, A.N.I Hospitality LLP
Subsidiary	Nil

Conventional and General Terms / Abbreviations

Term	Description
Act or Companies Act	Companies Act, 2013, as amended
AGM	Annual General Meeting
Applicable Laws	Any statute, notification, by-laws, rules, regulations, guidelines, Common law, policy code, directives, ordinance, schemes, notices, orders or instructions, laws enacted or issued or sanctioned by any appropriate authority in India including any modifications or re-enactment thereof for the time being in force.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
NCLT	Hon'ble National Company Law Tribunal, New Delhi Bench
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Depository Participant / DP	Depository Participant as defined under the Depositories Act, 1996
EGM	Extra-ordinary General Meeting
EPS	Earnings per Share
Equity Shares	Equity Shares of our Company of face value ₹ 10 each, unless otherwise specified in the context thereof
Financial Year / Fiscal Year / FY	Twelve months ending on March 31 of a particular year
HUF	Hindu Undivided Family

Term	Description
IndAS	Indian Accounting Standards (Generally Accepted Accounting Principles in India)
IFRS	International Financial Reporting Standards issued by International Accounting Standards Board (IASB)
Information Memorandum	This document dated [●] filed with BSE and NSE and referred to as the Information Memorandum
KMP	Key Managerial Personnel
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Stock Exchange(s)	Shall refer to the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") where the Equity Shares of NACL are proposed to be listed.

Scheme of Arrangement related terms

Term	Description
Appointed Date	December 31, 2018 (at close of business hours)
Demerged Company	Sharda Motor Industries Limited
Effective Date	The date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date. Accordingly, the Scheme is effective from March 16, 2020 (being the date of filing of the Order of NCLT with the Registrar of Companies.
"Automobile Seating Business" or "Automobile Seating Undertaking"	Means all, the businesses, undertakings, activities, assets, properties and liabilities, of whatsoever nature and kind and where so ever situated, of SMIL pertaining to the Automobile Seating Business as more defined in the Scheme
National Company Law Tribunal / NCLT / Tribunal	The National Company Law Tribunal, New Delhi Bench or any other bench having jurisdiction over the Demerged Company and/or Resulting Company
Record Date	The date fixed by the Board of Directors of the Demerged Company or any committee thereof, in consultation with the Resulting Company, for the purpose of determining names of the members of the Demerged Company, who shall be entitled to receive the equity shares in the Resulting Company upon effectiveness of this Scheme
Resulting Company	NDR Auto Components Limited
Scheme	Scheme of Arrangement between the Demerged Company, the Resulting Company and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 read with section 66 and other applicable provisions of the Act or the 1956 Act, as the case may be, in its present form or with any modification(s) made under Clause 17 of the Scheme by the Board of Directors of the Demerged Company and the Resulting Company, and/ or as approved or directed by the Tribunal, as the case may be
SEBI Circulars	Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by SEBI and as amended from time to time or any other circular(s) issued by SEBI applicable to a scheme of arrangement

Industry / Business Related Terms

Term	Description
SEA	South East Asia
MENA	Middle East and North African
GDP	Gross Domestic Product
MEIS	Merchandise Exports from India Scheme
OEM	Original equipment manufacturers
FDI	Foreign Direct Investment
SEZ	Special Economic Zones
MSME	Micro, Small and Medium Enterprises
NIMZs	National Investment & Manufacturing Zones

CURRENCY OF FINANCIAL PRESENTATION

In the Information Memorandum, the terms "we", "us", "our", the "Company", "our Company", "NACL", unless the context otherwise indicates or implies, refers to NDR Auto Components Limited. In the Information Memorandum, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "ten lac / lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore".

Throughout the Information Memorandum, unless otherwise stated, all figures have been expressed in ₹ lakhs except the financial statements of our Company. Unless indicated otherwise, the financial data in the Information Memorandum is derived from our financial statements prepared in accordance with IndAS and included in the Information Memorandum. In the Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

There may be some differences between IndAS and IFRS and / or US GAAP; accordingly, the degree to which the Ind AS financial statements included in the Information Memorandum will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Information Memorandum should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in the Information Memorandum, see the section "Definitions, Abbreviations and Industry related terms" on page 1 of the Information Memorandum. In the section titled "Main Provisions of the Articles of Association" on page 88, defined terms have the meaning given to such terms in the Articles of Association of our Company.

USE OF MARKET DATA

Unless stated otherwise, market data used throughout the Information Memorandum was obtained from internal Company reports, data, websites and industry publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe market data used in the Information Memorandum is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

FORWARD LOOKING STATEMENT

We have included statements in the Information Memorandum which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements".

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Increased competition in these industries;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
- Challenges in meeting capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled "Risk Factors" and "Our Business" on pages 8 and 43, of the Information Memorandum respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither we nor our Directors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

INFORMATION MEMORANDUM SUMMARY

This section contains the summary of following information:

A. Primary Business of the Company

The company is engaged in production and manufacturing of Seat Frames and Trims for Four-Wheeler and Two-Wheeler Vehicles and other accessories related to Car Seats.

B. Industry in which the Company operates

The Company operates in the Auto Component industry.

C. Promoters of the Company

The Promoters of our Company are:

- Mrs. Sharda Relan
- Mr. Ajay Relan
- Mr. Rohit Relan

D. Shareholding of the Promoter and Promoter Group of the Company

Name	No. of shares held	%age of holding
Ajay Relan	19,27,219	32.41
Rohit Relan *	7,00,268	11.78
Narinder Dev Relan HUF	30,000	0.50
Ajay Relan HUF	19,200	0.32
Rohit Relan HUF	44,400	0.75
Ram Prakash Chowdhry	600	0.01
Indira Chowdhry	52,437	0.88
Mala Relan	5,20,826	8.76
Ritu Relan	7,42,520	12.49
Aashim Relan	3,04,440	5.12
Pranav Relan *	3,315	0.06
Ayush Relan *	4,421	0.07
Rishabh Relan *	2,933	0.05
Total ➔	**4,352,579**	**73.20**

* Refer to note no. 5 under the Section titled "Capital Structure" on page 31.

E. Summary of the financial information of the Company

The Company was incorporated on March 19, 2019. The summary of the financial information of the Company after taking effect of the Scheme for the period ended December 31, 2019 is as under:

(₹ in lakhs)

Particulars	Period ended December 31, 2019*	Year ended March 31, 2019*
Share Capital (Including Share Suspense Account)	594.63	594.63
Net Worth	16,974.28	16,517.41
Revenue from operations	5,293.23	2,763.80
Other income	550.72	62.22
Profit/ (Loss) after tax and after share of associate (net of tax)	376.62	136.17
Profit/ (Loss) after tax and after share of joint ventures (net of tax)	64.40	28.54
Earnings per share (in ₹)	7.37	3.44
Total borrowings **	-	-

* After effectiveness of the Scheme

** Does not include lease liabilities

F. Auditor qualifications which have not been given effect to in the financial statements

There is no audit qualification in the financial statements as disclosed in the Information Memorandum.

G. Summary table of outstanding litigations and a cross-reference to the section titled 'Outstanding Litigations and Material Developments'

The summary of the outstanding litigations is as under:

Particulars	No. of cases	Amount involved (₹ in lakhs)
Civil Case	1	3.59
Labour Court Matter	5	13.10

For details, refer to the section titled "Outstanding Litigations and Material Developments" on page 70 of the Information Memorandum.

H. Summary table of contingent liabilities

There summary of contingent liabilities of the Company is as follows:

(₹ in lakhs)

Particulars	Period ended December 31, 2019	Year ended March 31, 2019
Civil Case	3.59	3.59
Labour Court Matters	34.73	26.14

For details, refer to the section titled "Financial Statements" on page 68 of the Information Memorandum.

I. Summary of related party transactions since incorporation

For details, refer to the section titled "Financial Statements" on page 68 of the Information Memorandum.

J. There has been no financing arrangement whereby the members of our Promoter Group, Directors of our Promoters, our Directors, or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six months preceding the date of this Information Memorandum.

K. Weighted average price at which specified security was acquired by each of the promoters in the last one year

Our Promoters and Promoter Group has not acquired any shares of our Company during the last one year except the Equity Shares allotted by the Company on March 30, 2020 pursuant to the Scheme.

L. Except the Equity Shares allotted by the Company on March 30, 2020 pursuant to the Scheme, the Company has not issued any equity shares for consideration other than cash during the last one year.

RISK FACTORS

An investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in the Equity Shares unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

INTERNAL RISK FACTORS

1. We have a limited operating history, which may make it difficult to evaluate our prospects.

We were incorporated on March 19, 2019 as a public limited company under the Companies Act, 2013. Further, the Demerged Undertaking is transferred to and vested with our Company pursuant to the Scheme with effect from December 31, 2018, after closure of business hours (being the Appointed Date under the Scheme). As a result, we have a limited operating history, which may make it difficult for you to evaluate our prospects. Our business must be considered in light of the risks and uncertainties inherent in a new venture. We may also need to alter our business and strategies on an ongoing basis to manage our growth and to compete effectively with established players in the industry in which we operate.

2. There are certain legal proceedings involving us that, if determined against us, could have a material adverse impact on our financial condition and results of operations

There are outstanding legal proceedings related to tax matters involving our Company that, if determined against us, could have an adverse impact on our financial condition and results of operations. These tax proceedings are pending at different levels of adjudication before various courts and tribunals. Should any new developments arise, such as a change in law or rulings against us by courts or tribunals, we may need to make provisions in our financial statements, which could adversely impact our reported financial condition and results of operations. Furthermore, if significant claims are determined against us and we are required to pay all or a portion of the disputed amounts, there could be a material adverse effect on our business and profitability.

The summary of the outstanding litigations is as under:

Particulars	No. of cases	Amount involved (₹ in lakhs)
Civil Case	1	3.59
Labour Court Matter	5	13.10

We cannot provide any assurance that these matters will be decided in our favor. Further, there is no assurance that similar proceedings will not be initiated against us in the future. For further details of the cases mentioned above, please see "Outstanding Litigations and Material Developments" on page 70 of the Information Memorandum.

3. We may in the future be exposed to infringement claims by third parties that, if determined adversely against us, could cause significant and material damage to our business.

We may in the future be subject to intellectual property claims against us. We cannot assure that we will be able to withstand any third party claims and, regardless of the merits of the claim, such claims may be expensive and time-consuming to litigate or settle, and could significantly divert our efforts and resources. Such claims may involve complex legal and factual questions and analysis, and we may be injuncted from continuing our affected business operations or the provision of our products and services during the intervening period when the outcome is pending. In addition, in the event of an adverse outcome in any such claims, we may be liable to pay monetary damages, discontinue any products or services or practices which may infringe or violate the intellectual property which is the subject of the claim, and our brand and reputation

could suffer as a result. We may also require licenses to continue such practices or have to redesign our products and services, which may significantly increase our operating expenses, and may not be cost-effective or based on commercially acceptable terms. Our failure to obtain such license of the rights to continue our business practices on a timely basis or at all could prevent us from providing our products and services and adversely affect our business operations.

4. ***We have certain contingent liabilities which are not acknowledged as debts and our financial condition may be adversely affected if such contingent liabilities materialize.***

We have certain contingent liabilities which are acknowledged as debts. The details are as under:

(₹ in lakhs)

Particulars	Period ended December 31, 2019	Year ended March 31, 2019
Civil Case	3.59	3.59
Labour Court Matters	34.73	26.14

For details, refer to the section titled "Financial Statements" on page 68 of the Information Memorandum.

5. ***We are susceptible to product liability claims that may not be covered by warranties and assurances from our suppliers or by insurance, and which, if successful, could require us to pay substantial sums.***

Any defects in our products, including as a result of defective materials supplied to us, can adversely affect our business and could result in customer claims for damages or require us to undertake product recalls. Defects in our products that arise from defective materials or other inputs supplied by external suppliers may or may not be covered by warranties. An unusual number or amount of warranty claims against a supplier could adversely affect us as we depend on a limited number of suppliers for our materials.

Our Company is creating provision in financial statements for such product liability claims. If any product liability claim is decided against us beyond such provision amount, it could adversely affect our business and its financial condition. We also face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits. Even unsuccessful product liability claims would likely require us to spend money on litigation, divert management's time, adversely affect our goodwill and impair the marketability of our products.

6. ***We may experience difficulties in expanding our business into new regions and markets in India and abroad and introducing our complete range of products.***

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business into new regions and markets in India and beyond. Factors such as competition, culture, regulatory regimes, business practices and customs and customer requirements in these new markets may differ from those in our current markets and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete with other manufacturers who already have a presence in those geographies and markets and are therefore more familiar with local regulations, business practices and customs and have stronger relationships with customers.

Our business may be exposed to various additional challenges including obtaining necessary governmental approvals, identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; being susceptible to local taxation in additional geographical areas and adapting our marketing strategy and operations to different regions. Our inability to expand the acceptability of our products and markets may adversely affect our business prospects, financial conditions and results of operations.

7. ***Our Company's business is dependent on its manufacturing facilities. The loss of or shutdown of operations at any of its manufacturing facilities may have a material adverse effect on its business, financial condition and results of operations.***

Our Company manufactures its products at Gurgaon, Haryana. This manufacturing facility is subject to operating risks, such as the breakdown or failure of equipment, power supply, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, continued availability of

services of the external contractors, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities.

Though our Company carries out planned shutdown of plants for maintenance and we have genset facilities to meet the entire requirement of our manufacturing operations and there have been no loss of production due to above factors so far, any stoppage of work due to unforeseen circumstances including the factors mentioned above may adversely affect our business, financial condition and results of operations.

8. ***Our Company's inability to manage growth may lead to loss of opportunities and may hamper our Company's future growth plans.***

Our Company may not pursue its business strategy in future. Our Company may be subject to growth related risks including capacity constraints and pressure on internal systems and controls. Its inability to deal with this growth could have material adverse impact on its business, operations and prospects. In order to manage its current operations and any future growth effectively, our Company has to continue to implement and improve its operational, financial and management information systems and to retain its employees. There can be no assurance that it will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support our Company's operations so that it will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth. Any failure on Company's part to scale up its infrastructure and management to meet the challenges of rapid growth could cause disruptions to its business and could be detrimental to its long-term business prospects. The products manufactured by the Company find application in industries such as automobile and auto ancillaries. The growth rate in these industries is crucial for our Company's growth. The major demand for its products arises primarily due to the growth of these user industries. Any downward trend in any of these industries can affect company s turnover and profitability.

9. ***Our success depends in large part upon our management team and key personnel and our ability to attract, train and retain such persons.***

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key operations personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, divert management resources and subject us to incurring additional human resource related expenditure. Our inability to attract and retain talented professionals, or the resignation or loss of key operations personnel, may have an adverse impact on our business and future financial performance.

10. ***The insurance coverage taken by the Company may not be adequate to protect against certain business risks and this may have an adverse effect on the business operations.***

The Company's insurance coverage is likely to cover all normal risks associated with the operation of the business but there can be no assurance that any claim under the insurance policies maintained by it will be honored fully, in part or on time. To the extent that the Company suffers loss or damage that is not covered by insurance or exceeds its insurance coverage, the Company's financial performance and cash flow may be adversely affected.

11. ***If we are not able to procure, renew or maintain, as the case may be, the statutory or regulatory permits or third-party approvals required to operate our business or effectively transfer and integrate the Demerged Undertaking, it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits and approvals to operate our business. We are also required to renew certain permits and approvals from time to time. Similarly, the effective transfer and integration of the Demerged Undertaking may be subject to the receipt of various statutory and regulatory approvals and other third party consents. While we believe that we will be able to procure or renew such permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the time-frame anticipated by us. Failure to procure, renew or

maintain the required permits or approvals may result in the interruption of our operations or delay or prevent our vertical integration, and may have a material adverse effect on our business, financial condition and results of operations. Further, change in law or any change in the interpretation of an existing law since the date of filing of the Scheme with the NCLT, if any, may also impact our ability to procure any necessary consents or approval for transfer of the Demerged Undertaking.

12. We have entered into, and will continue to enter into, related party transactions.

We have entered into certain transactions with related parties and may continue to do so in future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. Although such transactions are undertaken at arms-length basis in the ordinary course of business, we cannot assure that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, financial condition and results of operations, including because of potential conflicts of interest or otherwise.

For details of Related Party Transactions please refer to chapter "Financial Statements" on page 68 of Information Memorandum.

13. Certain of our Group Companies and Associate Company have incurred losses in the recent past.

Certain of our Group Companies and Associate Company have incurred losses in fiscal 2017, fiscal 2018 and fiscal 2019, as set forth in the table below:

(₹ in lakhs)

Sr. No.	Name of Company	March 31, 2019	March 31, 2018	March 31, 2017
Associate Company				
1	Toyota Boshoku Relan India Private Limited	(0.47)	(1.10)	-
Group Company				
1	Progressive Engineering and Automation Private Limited	-	(30.60)	(32.57)
2	Sharda Inoac Private Limited	(0.09)	(0.12)	(0.26)
3	A N I Hospitality LLP	(16.80)	(225.51)	(125.76)

There is no assurance that these or any of our other Group Companies will not incur losses in future periods or that there will not be an adverse effect on our Company's reputation or business as a result of such losses.

14. We do not own our registered office and certain office premises from which we operate.

We do not own the premises in which our registered office is situated. Sharda Motor Industries Limited has given "No Objection" to our Company to for the use of its Premises, infrastructure and other necessary amenities including office space, work stations, internet facilities, etc for our registered office. No further agreement has been entered into by our Company for the registered office of the Company.

We cannot assure you that we will have the right to occupy these premises in the future or that we will be able to continue with the uninterrupted use of these premises, which may affect our business operations till we find suitable facility for conducting our business operations. For further details of our premises, see "Our Business - Property" on page 47.

15. The Promoters will continue to retain majority control of the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.

Our promoter group currently holds 73.20% of the paid up equity share capital of the Company**.** As a result, our Promoter will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

16. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.***

There can be no assurance that we will pay dividends in the future. The declaration of dividends would be recommended by our Board of Directors, at its sole discretion, and would depend upon a number of factors, including Indian legal requirements, our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Our business is working capital intensive. Additionally, we may be restricted by the terms of our debt financing, if any, from making dividend payments in certain circumstances.

EXTERNAL RISK FACTORS

1. ***The regulatory framework in India is evolving and regulatory changes may have an adverse effect on our business, results of operations and financial condition. Our inability to comply with such requirements may adversely affect our business, results of operations and financial condition.***

Our existing business is subject to a range of laws, rules, regulations and circulars issued and adopted by the central, state and local authorities in India. Compliance with regulations as well as environmental and health and safety laws and regulations creates costs for us that are an inherent part of our business. Further, the adoption of new laws and regulations, new interpretations of existing laws and regulations, increased or stricter governmental enforcement or other developments in the future may require that we make additional capital expenditure or incur additional operating expenses in order to maintain our current or future operations or take other actions that may have an adverse effect on our business, results of operations and financial condition. The measures we implement in order to comply with new laws and regulations may not be deemed sufficient by concerned regulatory authorities and our compliance costs may significantly exceed current estimates. If we fail to meet compliance requirements, we may also be subject to administrative, civil and criminal proceedings by such regulatory authorities, as well as civil proceedings by environmental or civil society groups and other individuals (including employee unions, if our employees were to unionize), which may result in substantial claims, penalties and damages against us as well as orders that may limit, disrupt or cause closure of our operations, any of which may have an adverse effect on our business, results of operations and financial condition.

Additionally, any increase in taxes and/or levies, or the imposition of new taxes and/or levies in the future, could increase the cost of production/operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

2. ***Our business may be adversely affected by any social, political and economic changes in India, including if one or more of such changes lead to an adverse change in government policy.***

The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Company's shares, may be affected by changes in GoI's policies, including taxation. Social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment and other matters affecting investment in our Equity Shares could change as well. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence

in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of our Equity Shares.

3. ***Natural calamities, pandemic outbreak and force majeure events may have an adverse impact on our business.***

   Our industry may be affected by a number of natural hazards including earthquakes, floods, tsunamis, landslides or outbreak of any pandemic like COVID-19 presently. Natural disasters may cause significant interruption to our operations. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

4. ***Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

   Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. These acts may result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

5. ***Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

   Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required Approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

6. ***Our Equity Shares have never been publicly traded and our listing on the Stock Exchanges may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile.***

   There has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the list of the Equity Shares. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. Further, the market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

7. ***Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of our Equity Shares to decline.***

   The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India.

   A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability

could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

8. Currency exchange rate fluctuations may affect the value of the Equity Shares.

Our Equity Shares are, and will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into other currencies for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

9. Any future issue of Equity Shares may dilute the investor's shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares by the Company could dilute your shareholding. Any such future issuance of the Equity Shares (including the issuance of Equity Shares under any employee stock option scheme) or future sales of the Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and impact our ability to raise capital through an offering of our securities. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

Additionally, the disposal, pledge or encumbrance of our Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

10. Rights of shareholders under Indian law may differ or may be more limited than under the laws of other jurisdictions.

The Companies Act and related regulations, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, the Articles of Association and the listing agreements to be entered into with the Stock Exchanges govern the corporate affairs of the Company. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in India than as a shareholder of a corporation in another jurisdiction.

11. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "Competition Act"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation.

SUMMARY OF FINANCIAL INFORMATION

The following summary of financial and operating information is derived from the financial statements of the Company as of and for the period ended December 31, 2019 after taking effect of the Scheme as described in the Auditors Report of Gupta Vigg & Co, Chartered Accountants in the section titled "Financial Statements" on page 68 of this Information Memorandum.

Consolidated Balance Sheet as at December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

Particulars		As At December 31, 2019	As At March 31, 2019
I.	**Assets**		
	Non-current assets		
	(a) Property, plant and equipment	3,436.90	3,836.13
	(b) Capital work in progress	6.84	6.50
	(c) Right to use assets	47.20	-
	(d) Intangible assets	0.55	6.63
	(e) Financial assets		
	(i)Investments	3,863.98	3,529.16
	(ii) Other financial assets	50.03	49.24
	(f) Non-current tax asset (net)	11.58	1.65
	(g) Other non-currentassets	-	0.69
	(h) Deferred tax assets (net)	111.74	115.05
	Total non-current assets	**7,528.82**	**7,545.05**
	Current assets		
	(a) Inventories	556.69	580.33
	(b) Financial assets		
	(i)Trade receivables	642.09	933.18
	(ii) Cash and cash equivalents	218.70	5,302.58
	(iii) Bank balances other than (ii) above	9,020.00	4,000.00
	(iv)Other financial assets	609.40	579.36
	(c) Other current assets	137.61	29.25
	(d) Asset held for sale	0.08	0.08
	Total current assets	**11,184.57**	**11,424.78**
	Total assets	**18,713.39**	**18,969.83**
II.	**Equity And Liabilities**		
	Equity		
	(a) Share suspense	594.63	594.63
	(b) Other equity	16,379.65	15,922.78
	Total equity	**16,974.28**	**16,517.41**
	Liabilities		
	Non- current liabilities		
	(a) Financial liabilities		
	- Lease liabilities	2.66	-
	(b) Provisions	10.16	11.08
	(c) Other non-current liabilities	181.56	185.59
	Total non- current liabilities	**194.38**	**196.67**
	Current liabilities		
	(a) Financial liabilities		
	(i) Trade payables		
	- Total outstanding dues to micro and small enterprises	19.26	181.88
	- Total outstanding dues to parties other than micro and small enterprises	1,386.32	1,983.87
	(ii) Other financial liabilities		
	- Lease liabilities	46.02	-
	(b) Other current liabilities	89.11	85.55
	(c)Provisions	4.02	4.45
	Total current liabilities	**1,544.73**	**2,255.75**
	Total liabilities	**1,739.11**	**2,452.42**
	Total equity and liabilities	**18,713.39**	**18,969.83**

Statement of profit and loss for the period from April 01, 2019 to December 31, 2019

(Currency:₹ in Lakhs except otherwise specified)

	Particulars	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
I	Revenue from operations	5,293.23	2,763.80
II	Other income	550.72	62.22
III	**Total income (I+II)**	**5,843.95**	**2,826.02**
IV	**Expenses**		
	(a) Cost of materials consumed	3,855.51	2,037.71
	(b) Changes in inventories of finished goods, work-in-progress and stock in trade	8.25	149.27
	(c) Employee benefits expense	342.58	103.72
	(d) Finance costs	4.14	0.61
	(e) Depreciation and amortization expense	428.46	162.76
	(f) Other expenses	1,169.48	444.62
	Total expenses	**5,808.42**	**2,898.69**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**	**35.53**	**(72.67)**
VI	**Exceptional Items**	**-**	**-**
VII	**Profit/(Loss) before tax(V-VI)**	**35.53**	**(72.67)**
VIII	**Tax expense:**		
	(a) Current tax	39.50	-
	(b) Deferred tax	(1.49)	(112.75)
	Total tax expense	**38.01**	**(112.75)**
IX	**Profit/(Loss) for the period (VII-VIII)**	**(2.48)**	**40.08**
X	Share of profit/(loss) of associates (net of tax)	376.62	136.17
XI	Share of profit/(loss) of joint ventures (net of tax)	64.40	28.54
XII	**Profit/(Loss) for the period (IX+X+XI)**	**438.54**	**204.79**
XIII	**Other Comprehensive Income**		
	Items that will not be reclassified to profit or loss		
	- Re-measurement gains/ (losses) on defined benefit plans	24.50	4.71
	- Income tax on items that will not be reclassified to profit or loss	(6.17)	(2.43)
	Total other comprehensive income for the period, net of tax	**18.33**	**2.28**
XIV	**Total comprehensive income for the period, net of tax (IX+X)**	**456.87**	**207.07**
XV	**Earnings per share: (Face value ₹ 10 per share)**		
	1) Basic (amount in ₹)	7.37	3.44
	2) Diluted (amount in ₹)	7.37	3.44

Consolidated Statement of profit and loss for the period from April 01, 2019 to December 31, 2019

(Currency:₹ in Lakhs except otherwise specified)

	Particulars	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
A	**Cash Flow From Operating Activities**		
	Profit / (loss) before tax	35.53	(72.67)
	Adjustments for:		
	Depreciation and amortization	428.46	162.76
	Finance cost	4.14	0.61
	Interest income	(494.81)	(16.77)
	Loss / (Gain) on sale of property, plant and equipment (net)	4.77	(2.27)
	Sundry balances written back	(51.79)	(43.18)
	Excess Provisions written back	(3.10)	-
	Operating profit / (loss) before adjustments	**(76.80)**	**28.48**
	Adjustments for:		
	Decrease/(increase) in inventories	23.64	365.16
	Decrease/(increase) in trade receivables	291.09	805.94
	Decrease/(increase) in other financial assets	287.48	(556.60)
	Decrease/(increase) in other assets	(68.18)	(19.61)
	Increase/(decrease) in trade payables	(705.27)	134.54
	Increase/(decrease) in other liabilities	(0.49)	(158.41)
	Increase/(decrease) in provisions	(21.77)	(37.16)
	Cash generated /(used in) from operating activities	**(270.30)**	**562.33**
	Taxes (paid) / refund	(49.42)	(1.65)
	Net cash from operating activities - (A)	**(319.72)**	**560.68**
B	**Cash Flow From Investing Activities**		
	Acquisition of property, plant and equipment including capital work-in-progress	(6.69)	(10.68)
	Proceeds from sale of property, plant and equipment	12.03	3.70
	Proceeds from Investments & Fixed deposits	110.25	3,498.92
	Investments in Fixed deposits	(5,020.00)	-
	Interest received	176.50	3.46
	Net cash used in investing activities - (B)	**(4,727.91)**	**3,495.40**
	Cash Flow From Financing Activities		
	Issue of equity shares	-	1.00
	Cash payments for the principal portion of the lease liability	(32.11)	-
	Cash payments for the Interest portion of the lease liability	(3.95)	-
	Other Finance cost paid	(0.19)	(0.61)
	Net cash from financing activities - (C)	**(36.25)**	**0.39**
	Net increase / (decrease) in cash and cash equivalents - (A+B+C)	**(5,083.88)**	**4,056.47**
	Cash and cash equivalents acquired pursuant to scheme of arrangements - opening balance	5,302.58	1,246.11
	Cash and cash equivalents at the end of the period	**218.70**	**5,302.58**

GENERAL INFORMATION

Our Company was incorporated on March 19, 2019, under the Companies Act, 2013 with the Registrar of Companies, N.C.T of Delhi and Haryana. The Corporate Identification Number of the Company is U29304DL2019PLC347460. There has been no change in the name of our Company since incorporation.

Registered Office
D - 188, Okhla Industrial Area,
Phase - I, New Delhi - 110 020
Tel.: +91 11 4733 4100
Fax: +91 11 2681 1676

Factories of the Company
C-506, Block - C,
Pioneer Industrial Park (Village Bhudka),
Pathredi, Gurgaon, Haryana

Plot No. 366-P
Pace City 2
Gurgaon, Haryana

Registrar of Companies
Registrar of Companies, N.C.T. of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi - 110 019
Tel.: +91 11 2623 5703, 2623 5708

Board of Directors of our Company

Sr. No.	Name	Age (in years)	DIN	Status
1	Sharda Relan	84	00252181	Promoter Director
2	Ajay Relan	58	00257584	Promoter Director
3	Dharam Asrey Aggarwal	74	07720007	Whole Time Director (Non Executive)
4	Kishan Nagin Parikh	52	00453209	Independent Director
5	Udayan Banerjee	73	00339754	Independent Director

For details of our Directors, refer to section titled "Our Management" on page 54 of the Information Memorandum.

Company Secretary & Compliance Officer	Chief Financial Officer
Ashutosh Vedi Company Secretary Tel.: +91 11 4733 4100 Fax: +91 11 2681 1676 Email: cs@ndrauto.com	Dharam Asrey Aggarwal Whole Time Director and Chief Financial Officer Tel.: +91 11 4733 4100 Fax: +91 11 2681 1676 Email: info@ndrauto.com

Registrar and Share Transfer Agent
Beetal Financial & Computer Services (P) Limited
Beetal House, 3rd Floor
99 Madangir, Behind Local Shopping Centre
Near Dada Harsukhdas Mandir
New Delhi - 110 062
Contact Person: Mr. S.P. Gupta
Phone: +91 11 2996 1281-83
Email Id: beetal@beetalfinancial.com
Website: www.beetalfinancial.com

Bankers to our Company
Kotak Mahindra Bank
G-F 3A-3J, Ground Floor
Ambadeep Building
14, Kasturba Gandhi Marg
New Delhi - 110 001

Auditors of our Company
Gupta Vigg & Co.
E-61, Lower Ground Floor,
Kalkaji, New Delhi - 110 019
Phone: +91 11 4054 3700
E-Mail Id: deepak@guptavigg.com
Peer Review Cert. No.: 010747

Authority of Listing
The Hon'ble National Company Law Tribunal, New Delhi bench, vide Order dated February 20, 2020 (certified copy received by the Company on March 11, 2020) approved the Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors for demerger and transfer of the "Automobile Seating Undertaking" of Sharda Motor Industries Limited (Demerged Company) into NDR Auto Components Limited (Resulting Company) under Sections 230 to 232 read with Section 66 of the Companies Act, 2013. For more details relating to the Scheme of Arrangement and demerger please refer to the Section titled "Scheme of Arrangement" on page 33 of this Information Memorandum. In accordance with the said Scheme, the equity shares of our Company issued and allotted pursuant to the Scheme shall be listed and admitted to trading on the NSE and BSE. Such listing and admission for trading is not automatic and is subject to fulfillment by the Company of criteria of NSE and BSE and also subject to such other terms and conditions as may be prescribed by NSE and BSE at the time of application by our Company seeking listing. Our Company has received no objection from NSE and BSE on the Scheme of Arrangement under Regulation 37 of the SEBI LODR Regulations vide their letter nos. NSE/LIST/20689_II dated August 19, 2019 and DCS/AMAL/JR/R37/1550/2019-20 dated August 19, 2019, respectively. The Company has received approval for listing of its Equity Shares on NSE and BSE vide their letter no. [●] dated [●] and [●] dated [●] respectively. Further, the Company has also received a letter bearing no. [●] dated [●] from the Securities and Exchange Board of India ("SEBI") in relation to relaxation from applicability of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 for listing of the Equity Shares of NDR Auto Components Limited on stock exchanges.

Eligibility Criterion
There being no Initial public offering or rights issue, the eligibility criteria in terms of Chapter II of SEBI ICDR Regulations do not become applicable, however, SEBI has vide its circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19(2)(b) of SCRR, as amended. Our Company has submitted its Information Memorandum, containing information about itself, making disclosure in line with the disclosure requirement for public issues as, applicable to NSE and BSE for making the said Information Memorandum available to public through websites viz. www.nseindia.com and www.bseindia.com. Our Company has made the said Information Memorandum available on its website www.ndrauto.com. Our Company has published an advertisement in the news papers containing its details in line with the details required as per the above mentioned circular on **[●]**. The advertisement draws specific reference to the availability of this Information Memorandum on its website.

Prohibition by SEBI
The Company, its Directors, its Promoters, other companies promoted by the promoter and companies with which the Company's Directors are associated as director's have not been prohibited from accessing the capital market under any order or direction passed by SEBI.

General Disclaimer from the Company
The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements published in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

CAPITAL STRUCTURE

The Capital Structure of our Company - Pre Scheme of Arrangement:

Particulars	Aggregate Nominal Value (₹)
Authorized Share Capital 10,000 Equity Shares of face value of ₹ 10 each	1,00,000
Issued, Subscribed and paid-up share capital 10,000 Equity Shares of face value of ₹ 10 each	1,00,000

The Capital Structure of our Company- Post Scheme of Arrangement:

Particulars	Aggregate Nominal Value (₹)
Authorized Share Capital 60,00,000 Equity Shares of face value of ₹ 10 each	6,00,00,000
Issued, Subscribed and paid-up share capital 59,46,326 Equity Shares of ₹ 10 each	5,94,63,260

Notes to the Capital Structure:

1. Changes in Authorised Share Capital

The details of changes in authorised share capital of our Company since Incorporation are as follows:

(in ₹ except share data)

Date	Particulars	Cumulative No. of Equity Shares	Face Value (₹)	Authorised Share Capital (in ₹)
March 19, 2019	On incorporation	10,000	10	1,00,000
February 20, 2020	Increase in authorized share capital	60,00,000	10	6,00,00,000

2. Equity Share Capital History

(in ₹, except share data)

Date of Allotment	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (in ₹)	Issue Price (in ₹)	Cumulative Paid up Capital (in ₹)	Nature of consideration	Category of Allottees
On Incorporation	10,000	10,000	10	10	1,00,000	Cash	Subscribers to Memorandum
March 16, 2020	(10,000)	-	-	-	-	Cancellation of Equity Shares pursuant to Scheme of Arrangement	-
March 30, 2020	59,46,326	59,46,326	10	*	59,46,326	Allotment of Equity Shares pursuant to Scheme of Arrangement *	Shareholders of Sharda Motor Industries Limited as on Record date i.e. on March 27, 2020

* Equity shares have been allotted in terms of the Scheme sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013. Details of the Scheme have been provided at page 33 of the Information Memorandum.

3. Our Shareholding Pattern of our Company before and after the Scheme of Arrangement:

The table below presents our shareholding pattern before the Effective Date

Table I: Summary statement holding of specified securities

Cate-gory	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group*	1*	10,000	-	-	10,000	100.00	10,000	-	10,000	100.00	-	100.00	-	-	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**1***	**10,000**	**-**	**-**	**10,000**	**100.00**	**10,000**	**-**	**10,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**-**

* Includes 6 nominee shareholders holding 1 equity share each on behalf of Sharda Motor Industries Limited

Table II: Statement showing shareholding pattern of the Promoter and Promoter Group

Cat e-gory	Category of share-holders	No. of share - holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
A(1)	**Indian**																	
(a)	**Individuals / HUF**													-	-	-	-	-
(b)	**Central Govt / State Govt**																	
(c)	**Financial Institutions / Banks**																	
(d)	**Any other Bodies Corporate**	**1***	**10,000**	**-**	**-**	**10,000**	**100.00**	**10,000**	**-**	**10,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**-**
	Sharda Motor Industries Limited	1*	10,000	-	-	10,000	100.00	10,000	-	10,000	100.00	-	100.00	-	-	-	-	-
	Sub-total A(1)	**1***	**10,000**	**-**	**-**	**10,000**	**100.00**	**10,000**	**-**	**10,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**-**
A(2)	**Foreign**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(a)	Individuals (Non resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Foreign Portfolio Investors**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(e)	**Any others (Foreign Bodies Corporate)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total A(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter & Promoter Group (A) = (A)(1) + (A)(2)	**1***	**10,000**	**-**	**-**	**10,000**	**100.00**	**10,000**	**-**	**10,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**-**

* Includes 6 nominee shareholders holding One equity share each on behalf of Sharda Motor Industries Limited

Table III: Statement showing shareholding pattern of public shareholder

Cat e-gory	Category of share-holders	No. of share - holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
1	**Institutions**																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternative Investment Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign venture capital investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign portfolio investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident funds / pension funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any other (Foreign Institutional Investors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	Central government / state government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Non Institutions**																	
(a)	Individual shareholders holding nominal share capital upto ₹ 2.00 lac	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Individual shareholders holding nominal share capital in excess of ₹ 2.00 lac	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFC registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Employees Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DR) balancing figure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any other																	
	Sub Total (B)(3)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total public shareholding (B) = (B)(1)+(B)(2)+(B)(3)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Table IV: Statement showing shareholding pattern of Non promoter Non public shareholder

Cat e-gory	Category of share-holders	No. of share - holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
1	Custodian / DR Holder																	
2	Employees benefit trust (under SEBI (Share based employee benefit) Regulations, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Total non promoter non public shareholding (C) = (C)(1) + (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The tables below presents our shareholding pattern after allotment pursuant to the Scheme

Table I: Summary statement holding of specified securities

Cate-gory	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C)	No. of voting rights			Total as % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	13	43,52,579	0	0	43,52,579	73.20	43,52,579	0	43,52,579	73.20	0	73.20	0	0	0	0	43,52,579
(B)	Public	8,205	15,93,747	0	0	15,93,747	26.80	15,93,747	0	15,93,747	26.80	0	26.80	0	0	0	0	15,09,155
(C)	Non promoter non public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	**8,218**	**59,46,326**	**0**	**0**	**59,46,326**	**100**	**59,46,326**	**0**	**59,46,326**	**100**	**0**	**100**	**0**	**0**	**0**	**0**	**58,61,734**

Table II: Statement showing shareholding pattern of the Promoter and Promoter Group

Cat e-gory	Category of share-holders *	No. of share - holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of Equity Shares held in dematerial-ised form
							(as a % of (A+B+ C)	No. of voting rights			Total as % of (A+B+ C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
A(1)	**Indian**																	
(a)	**Individuals**	10	42,58,979	0	0	42,58,979	71.62	42,58,979	0	42,58,979	71.62	0	71.62	0	0.00	0	0.00	42,58,979
	Aashim Relan	1	3,04,440	0	0	3,04,440	5.12	3,04,440	0	3,04,440	5.12	0	5.12	0	0	0	0	3,04,440
	Ajay Relan	1	19,27,219	0	0	19,27,219	32.41	19,27,219	0	19,27,219	32.41	0	32.41	0	0	0	0	19,27,219
	Ayush Relan	1	4,421	0	0	4,421	0.07	4,421	0	4,421	0.07	0	0.07	0	0	0	0	4,421
	Indira Chowdhry	1	52,437	0	0	52,437	0.88	52,437	0	52,437	0.88	0	0.88	0	0	0	0	52,437
	Mala Relan	1	5,20,826	0	0	5,20,826	8.76	5,20,826	0	5,20,826	8.76	0	8.76	0	0	0	0	5,20,826
	Pranav Relan	1	3,315	0	0	3,315	0.06	3,315	0	3,315	0.06	0	0.06	0	0	0	0	3,315
	Ram Parkash Chowdhry	1	600	0	0	600	0.01	600	0	600	0.01	0	0.01	0	0	0	0	600
	Rishabh Relan	1	2,933	0	0	2,933	0.05	2,933	0	2,933	0.05	0	0.05	0	0	0	0	2,933
	Ritu Relan	1	7,42,520	0	0	7,42,520	12.49	7,42,520	0	7,42,520	12.49	0	12.49	0	0	0	0	7,42,520
	Rohit Relan	1	7,00,268	0	0	7,00,268	11.78	7,00,268	0	7,00,268	11.78	0	11.78	0	0	0	0	7,00,268
(b)	**Hindu Undivided Family**	3	93,600	0	0	93,600	1.57	93,600	0	93,600	1.57	0	1.57	0	0.00	0	0.00	93,600
	Ajay Relan	1	19,200	0	0	19,200	0.32	19,200	0	19,200	0.32	0	0.32	0	0	0	0	19,200
	Narinder Dev Relan	1	30,000	0	0	30,000	0.50	30,000	0	30,000	0.50	0	0.50	0	0	0	0	30,000
	Rohit Relan	1	44,400	0	0	44,400	0.75	44,400	0	44,400	0.75	0	0.75	0	0	0	0	44,400
(c)	**Central Government / State Government(s)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	**Financial Institutions / Banks**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	**Any other Bodies Corporate**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-total A(1)	**13**	**43,52,579**	**0**	**0**	**43,52,579**	**73.20**	**43,52,579**	**0**	**43,52,579**	**73.20**	**0**	**73.20**	**0**	**0**	**0**	**0**	**43,52,579**
A(2)	**Foreign**																	

Cat e-gory	Category of share-holders *	No. of share - holde rs	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of Equity Shares held in dematerial-ised form
							(as a % of (A+B+ C)	No. of voting rights			Total as % of (A+B+ C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total share s held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Cl as s Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
(a)	Individuals (Non resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	**Any others**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-total A(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	**13**	**43,52,579**	**0**	**0**	**43,52,579**	**73.20**	**43,52,579**	**0**	**43,52,579**	**73.20**	**0**	**73.20**	**0**	**0**	**0**	**0**	**43,52,579**

* Names of only first holder has been disclosed where shares held jointly

Table III: Statement showing shareholding pattern of public shareholder

Cat e-gory	Category of share-holders	No. of share - holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C 2)	No. of voting rights			Total as % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
1	**Institutions**																	
(a)	Mutual Funds	1	45437	0	0	45437	0.76	45437	0	45437	0.76	0	0.76	0	0	0	0	45437
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Alternative Investment Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	3	13623	0	0	13623	0.23	13623	0	13623	0.23	0	0.23	0	0	0	0	13623
(f)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	Any other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1)	**4**	**59060**	**0**	**0**	**59060**	**0.99**	**59060**	**0**	**59060**	**0.99**	**0**	**0.99**	**0**	**0**	**0**	**0**	**59060**
2	Central Government / State Government (s)/ President of India	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
3	Non Institutions																	
(a)	Individual shareholders holding nominal share capital upto ₹ 2.00 lac	7503	8,36,864	0	0	8,36,864	14.07	8,36,864	0	8,36,864	14.07	0	14.07	0	0	0	0	7,54,122

Cat e-gory	Category of share-holders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialised form
							(as a % of (A+B+C2)	No. of voting rights			Total as % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
	Individual shareholders holding nominal share capital in excess of ₹ 2.00 lac	9	3,29,323	0	0	3,29,323	5.54	3,29,323	0	3,29,323	5.54	0	5.54	0	0	0	0	3,29,323
	Braham Arenja	1	60,000	0	0	60,000	1.01	60,000	0	60,000	1.01	0	1.01	0	0	60,000	100	60,000
(b)	NBFC registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)	Employees Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories (holding DR) balancing figure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any other																	
	Bodies Corporate	122	2,80,722	0	0	2,80,722	4.72	2,80,722	0	2,80,722	4.72	0	4.72	0	0	0	0	2,78,872
	Vibgyor Investors And Developers Pvt Ltd	1	70,000	0	0	70,000	1.18	70,000	0	70,000	1.18	0	1.18	0	0	70,000	100	70,000
	Trust	1	33	0	0	33	0	33	0	33	0	0	0	0	0	0	0	33
	Clearing Members	38	14,627	0	0	14,627	0.25	14,627	0	14,627	0.25	0	0.25	0	0	0	0	14,627
	Non Resident Indian Non Repatriable	72	15,380	0	0	15,380	0.26	15,380	0	15,380	0.26	0	0.26	0	0	0	0	15,380
	Non resident Indians	157	13,226	0	0	13,226	0.22	13,226	0	13,226	0.22	0	0.22	0	0	0	0	13,226
	Resident HUF	298	37,412	0	0	37,412	0.63	37,412	0	37,412	0.63	0	0.63	0	0	0	0	37,412
	IEPF	1	7,100	0	0	7,100	0.12	7,100	0	7,100	0.12	0	0.12	0	0	0	0	7,100
	Sub Total (B)(3)	**8201**	**15,34,687**	**0**	**0**	**15,34,687**	**25.81**	**15,34,687**	**0**	**15,34,687**	**25.81**	**0**	**25.81**	**0**	**0**	**0**	**0**	**14,50,095**
	Total public shareholding (B) = (B)(1)+(B)(2)+(B)(3)	**8205**	**15,93,747**	**0**	**0**	**15,93,747**	**26.80**	**15,93,747**	**0**	**15,93,747**	**26.80**	**0**	**26.80**	**0**	**0**	**0**	**0**	**15,09,155**

Table IV: Statement showing shareholding pattern of Non promoter Non public shareholder

Cat e-gory	Category of share-holders	PAN	No. of share - holde rs	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities				No. of shares underlying outstanding convertible securities (including warrants)	Share holding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialised form
								(as a % of (A+B+ C2)	No. of voting rights			Total as % of total votin g rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Cl ass Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B +C)	(XII)		(XIII)		(XIV)
1	Custodian / DR Holder	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Employees Benefit Trust (under SEBI (Share Based Employee benefit) Regulations, 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	**Total non promoter non public shareholding (C) = (C)(1) + (C)(2)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

4. Equity Shares held by Top Ten Shareholders

(a) Our shareholders and the number of Equity Shares of ₹ 10/- each held by them as on the date of the Information Memorandum is as follows:

Sr. No.	Name of the Shareholders *	No. of Equity Shares	% of total Shareholding
1	Ajay Relan	19,27,219	32.41
2	Ritu Relan	7,42,520	12.49
3	Rohit Relan	7,00,268	11.78
4	Mala Relan	5,20,826	8.76
5	Aashim Relan	3,04,440	5.12
6	Vibgyor Investors And Developers Pvt Ltd	70,000	1.18
7	Braham Arenja	60,000	1.01
8	Vandana Channa	57,870	0.97
9	Indira Chowdhry	52,437	0.88
10	Ankita Channa	50,000	0.84
	Runner Marketing Private Limited	50,000	0.84
	Total	**45,35,580**	**76.28**

* Names of only first holder has been disclosed where shares held jointly

(b) Our shareholders and the number of Equity Shares of ₹ 10/-each held by them 10 days prior to the date of the Information Memorandum is as follows:

Sr. No.	Name of the Shareholders *	No. of Equity Shares	% of total Shareholding
1	Ajay Relan	19,27,219	32.41
2	Ritu Relan	7,42,520	12.49
3	Rohit Relan	7,00,268	11.78
4	Mala Relan	5,20,826	8.76
5	Aashim Relan	3,04,440	5.12
6	Vibgyor Investors And Developers Pvt Ltd	70,000	1.18
7	Braham Arenja	60,000	1.01
8	Vandana Channa	57,870	0.97
9	Indira Chowdhry	52,437	0.88
10	Ankita Channa	50,000	0.84
	Runner Marketing Private Limited	50,000	0.84
	Total	**45,35,580**	**76.28**

* Names of only first holder has been disclosed where shares held jointly

(c) Our shareholders and the number of Equity Shares of ₹ 10/- each held by them on incorporation of the Company and prior to Scheme taking into effect were as follows:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1	Sharda Motor Industries Limited*	10,000	100.00
	Total	**10,000**	**100.00**

* Includes 6 nominee shareholders holding 1 equity share each on behalf of Sharda Motor Industries Limited

5. The following transfer of shares has taken place inter-se amongst the Promoter Group of Sharda Motor Industries Limited:

Transferor / Doner	Transferee / Donee	Date of transfer through gift	Date by which transfer recorded with depositories	Consider-ation	No. of shares
Ayush Relan (jointly with Rohit Relan)	Rohit Relan	March 19, 2020	March 21, 2020	Gift	64,000
			May 29, 2020	Gift	4,421
Pranav Relan (jointly with Rohit Relan)	Rohit Relan	March 19, 2020	March 21, 2020	Gift	88,950
			May 29, 2020	Gift	3,315

Transferor / Doner	Transferee / Donee	Date of transfer through gift	Date by which transfer recorded with depositories	Consider-ation	No. of shares
Rishabh Relan (jointly with Rohit Relan)	Rohit Relan	March 19, 2020	March 21, 2020	Gift	118,500
			May 29, 2020	Gift	2,933
Total					**282,119**

The above transaction for transfer of shares of Sharda Motor Industries Limited pursuant to gift were made on March 19, 2020. However due to extra ordinary situation prevalent due to complete lock down due to COVID-19, necessitating closure of all offices, after repetitive efforts, the 271,450 shares were transferred on March 21, 2020. The balance 10,669 shares comprising of 4,421 shares of Mr. Ayush Relan, 3,315 shares of Mr. Pranav Relan and 2,933 shares of Mr. Rishabh Relan was completed on May 29, 2020.

The said shares in Sharda Motor Industries Limited have been transferred by Transferors to the Transferee effective March 19, 2020 with all benefits arising out of said shares on or after March 19, 2020. Since 10,669 shares could not be transferred in the demat account of the Transferee before the record date, the names of the Transferors was appearing in the register of members of Sharda Motor Industries Limited as on March 27, 2020 (being the Record Date for the purpose of Scheme) and accordingly allotment was made by the Company to the said Transferors, whose name was appearing in the register of members. As per the terms of gift given by the Transferors to the Transferee, the benefit arising to the Transferors in form of allotment of shares by the Company on March 30, 2020 also stands transferred in the name of the Transferee effective March 19, 2020. Since the ISIN of the equity shares of the Company are suspended for transfer, the same will be effected by the abovementioned Transferors to the Transferee (as pre-Record Date transaction) consequent to the listing of equity shares of the Company on stock exchanges. This will inter-se change the shareholding of the Promoter Group shareholders individually, but there will be no change in the overall shareholding / voting rights of the Promoter Group of the Company.

6. Our Promoter, Promoter Group, Directors and their relatives and Directors of the Promoter have not sold or purchased any shares of our Company during the period of six months preceding the date of the Information Memorandum except the Equity Shares allotted by the Company on March 30, 2020 pursuant to the Scheme.

7. Our Promoter, Promoter Group, Directors and their relatives have not financed the purchase by any other person of the Equity Shares of our Company during the period of six months immediately preceding the date of the Information Memorandum.

8. As on the date of the Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments.

9. As on the date of the Information Memorandum, the issued capital of our Company is fully paid up.

10. None of the equity shares held by the Promoter and Promoter Group are subject to any pledge.

11. Neither we, nor our Directors, Promoter, Promoter Group Entities have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

12. As on the date of the Information Memorandum, the Company has 8,218 shareholders.

13. We do not have any Employees Stock Option Scheme or Employees Stock Purchase Scheme.

14. There shall be only one denomination for the Equity Shares of the Company, subject to applicable regulations and Company shall comply with such disclosure and accounting norms specified by SEBI, from time to time.

SCHEME OF ARRANGEMENT

For definitions of the terms used herein, but if not defined, you may refer to the Scheme of Arrangement

The Scheme of Arrangement is presented under Section 230 to 232 of the Companies Act, 2013 (the "Act") read with section 66 of the Act, and other relevant provisions of the Act, as applicable from time to time, for transfer and vesting of Automobile Seating Undertaking of Sharda Motor Industries Limited ("SMIL" or "Demerged Company") to NDR Auto Components Limited ("NACL" or "Resulting Company") with effect from the Appointed Date and upon effectiveness of the Scheme on the Effective Date. In addition, the Scheme also provides for various other matters consequential and/or otherwise integrally connected herewith.

A. Rationale for the Scheme of Arrangement

The arrangement is aimed at demerger of "Automobile Seating Undertaking" of SMIL into NACL to segregate the said business. The transfer and vesting by way of a demerger shall achieve the following benefits for SMIL and NACL:

a. The Automobile Seating Undertaking carried on by SMIL has significant potential for growth. The nature of risk, competition, challenges, opportunities and business methods for the Automobile Seating Undertaking is separate and distinct from the other business of the Company. The Automobile Seating Undertaking would become capable of attracting a different set of investors, strategic partners, lenders and other stakeholders and would further enhance the shareholders wealth.
b. The management teams and Board of Directors of SMIL and NACL would be able to chart out independent strategies of their respective businesses to maximize value creation for their respective stakeholders. Demerger shall enhance focus of management on the operations of the Automobile Seating Undertaking by NACL and Suspension, Exhaust, Silencer, Canopy and White goods Undertaking by SMIL.
c. As part of the Resulting Company, the Automobile Seating business shall be amenable to benchmarking, and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.
d. The demerger will permit increased focus by SMIL and NACL on their respective businesses in order to better meet their respective customers' needs and priorities, develop their own network of alliances and talent models that are critical to success.

There is no adverse effect of Scheme on any of the directors, key management personnel, promoters, non-promoter members, creditors and employees of SMIL and NACL.

The transfer and vesting of the Automobile Seating Undertaking into NACL would be in the best interests of the shareholders, creditors and employees of SMIL and NACL, respectively, as it would result in enhanced value for the shareholders and allow focused strategy in operation of the Automobile Seating Undertaking and the Remaining Business of SMIL. Pursuant to this Scheme all the shareholders of SMIL will get shares in NACL and there would be no change in the economic interest for any of the shareholders of SMIL pre and post implementation of the Scheme.

Treatment of Scheme for the purposes of Income-Tax Act, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961 ("IT Act"). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification(s), will, however, not affect the other provisions of the Scheme.

Consideration

Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Automobile Seating Undertaking of SMIL in NACL, NACL shall, without any further act or deed, issue and allot to the equity shareholders of SMIL, whose names appear in the Register of Members of SMIL, on a Record date fixed in that behalf by the Board of Directors of SMIL in consultation with NACL for the purpose of reckoning the names of the equity shareholders of SMIL, in consideration for the transfer of the Automobile Seating Undertaking in the following proportion namely,:

"for every 1 (One) equity share of face value of INR10/- (Rupees Ten only) each held in SMIL as on the Record Date, the equity shareholders of SMIL shall be issued 1 (One) equity share of face value INR10/- (Rupees Ten only) each credited as fully paid-up in NACL"

Approvals with respect to Scheme of Arrangement

The Hon'ble National Company Law Tribunal, New Delhi bench, vide its Order dated February 20, 2020 (certified copy received by the Company on March 11, 2020) has approved the Scheme of Arrangement among Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors for demerger and transfer of the "Automobile Seating Undertaking" of Sharda Motor Industries Limited (Demerged Company) into NDR Auto Components Limited (Resulting Company) under sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013. The copy of the said Order was filed by both, Sharda Motor Industries Limited and NDR Auto Components Limited, with the Registrar of Companies on March 16, 2020. In accordance with the said Scheme, the equity shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the NSE and BSE. Such listing and admission for trading is not automatic and is subject to fulfillment by the Company of criteria of NSE and BSE and also subject to such other terms and conditions as may be prescribed by NSE and BSE at the time of application by our Company seeking listing.

The Company has received approval for listing of its Equity Shares on NSE and BSE vide their letter no. [●] dated [●] and [●] dated [●] respectively. Further, the Company has also received a letter bearing no. [●] dated [●] from the Securities and Exchange Board of India ("SEBI") in relation to relaxation from applicability of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 for listing of the Equity Shares of NDR Auto Components Limited on stock exchanges.

STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To,
The Board of Directors of
NDR Auto Components Limited
D-188, Okhla Industrial Area, Phase 1
Delhi- 110020

Dear Sirs,

Subject: Statement of possible special tax benefits ("the statement") available to NDR Auto Components Limited ("the Company") and its shareholders

1. We, Gupta Vigg & Co. Chartered Accountants, having firm registration number (FRN) 001393N, hereby enclose herewith the statement showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Income Tax Act, 1961, as applicable to the assessment year 2020-21 relevant to the financial year 2019-20 for inclusion in the Information memorandum (collectively the "**Information Memorandum**") in connection with the listing of the Company pursuant to the listing of equity shares of the Company.

2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Act, 1961. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilment of such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

3. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. Further, the preparation of the enclosed Statement and its contents was the responsibility of the Management of the Company. We were informed that, this statement is only intended to provide general information to the shareholders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each shareholder is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their shareholding in the Company. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

4. We do not express any opinion or provide any assurance as to whether:
   a) the Company or its shareholders will continue to obtain these benefits in future; or
   b) the conditions prescribed for availing the benefits have been/would be met with;
   c) the revenue authorities/courts will concur with the views expressed herein.

5. Limitations
   Our views expressed herein are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretations, which are subject to change from time to time by subsequent legislative, regulatory, administrative or judicial decisions. We do not assume responsibility to update the views consequent to such changes.

6. We hereby consent to the extracts of this certificate and annexure being used in the Information Memorandum of the Company is solely for your information and submission of this certificate as may be necessary, to any regulatory authority and is not to be used, referred to or distributed for any other purpose without our prior written consent.

7. Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Information Memorandum.

Yours Sincerely,

For Gupta Vigg & Co.,
Chartered Accountants
Firm Registration No. 001393N

Sd/-
CA. Deepak Pokhriyal
Partner
Membership No. 524778

Date: 02.05.2020
Place: New Delhi

Encl.: Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

This statement is only intended to provide the Special tax benefits available to the Company and its Equity Shareholders under the Income Tax Act, 1961 in a general and summarized manner and does not purport to be exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of tax consequence and the changing tax laws, each investor is advised to consult their own tax advisor with respect to specific tax implications arising out of their participation in the issue.

I. UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

The shareholders of the Company are not entitled to any special tax benefits under the Act.

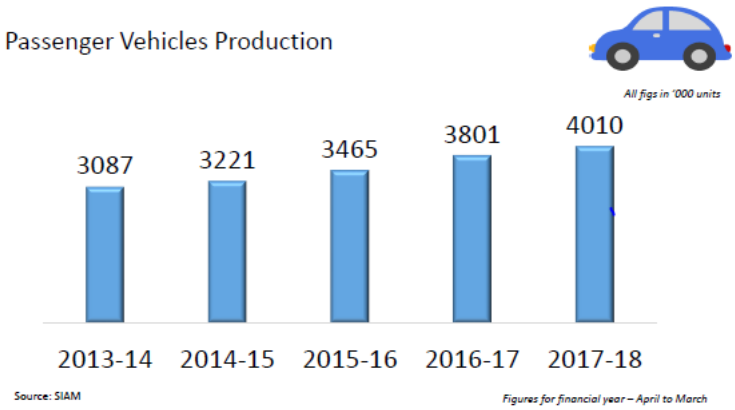
Notes:

a. The above statement of Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
b. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
c. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.
d. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

INDUSTRY OVERVIEW

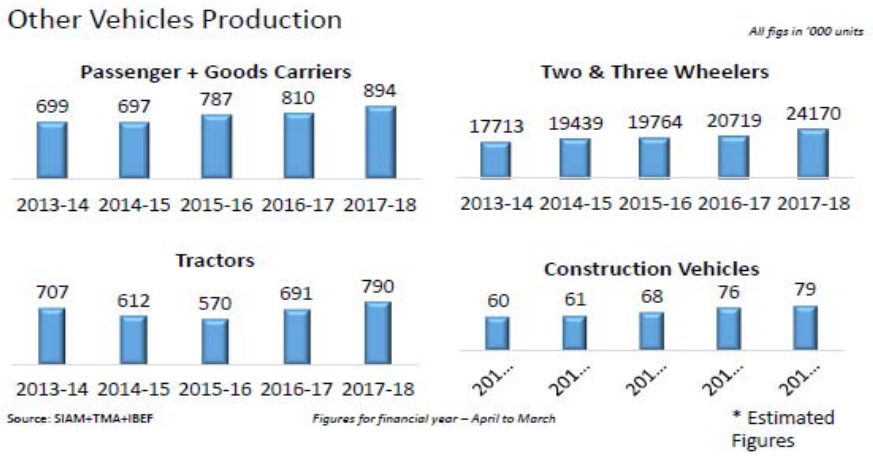
The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from the Government bodies and industry websites/publications. Industry websites/publications generally state that the information contained in therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry, market and government data used in the Information Memorandum is reliable, it has not been independently verified. Similarly, internal Company estimates, while believed by us to be reliable, have not been verified by any independent agencies. The information / data in this has been sourced from the following:

Automotive industry in India is one of the main pillars of the economy. With strong backward and forward linkages, it is a key driver of growth. Liberalization and conscious policy interventions over the past few years created a vibrant, competitive market, and brought several new players, resulting in capacity expansion in automobile industry and generation of huge employment.



Source: https://www.acma.in/auto-component.php

India's annual production has been 29.08 mn vehicles in 2018 as against 25.33 mn in 2017, registering a healthy growth of 14.8%. The industry is expected to reach 135 bn by 2020 and 300 bn by 2026 at a CAGR of 15%.



Source: https://www.acma.in/auto-component.php

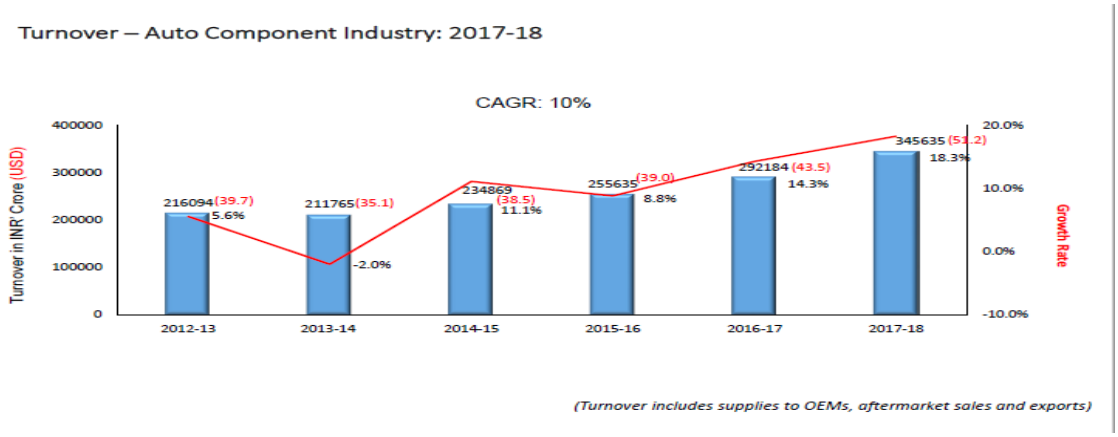
The sub-sectors contribution to the overall market in 2017-18:

- Two-Wheeler: 81%
- Passenger vehicles: 13%
- Three-Wheeler: 3%
- Commercial vehicles: 3%

India's rapidly growing five auto hubs have a significant potential to be used as a base for export to South East Asia (SEA) and the Middle East and North African (MENA) regions.
Source: https://dhi.nic.in/UserView/index?mid=1319

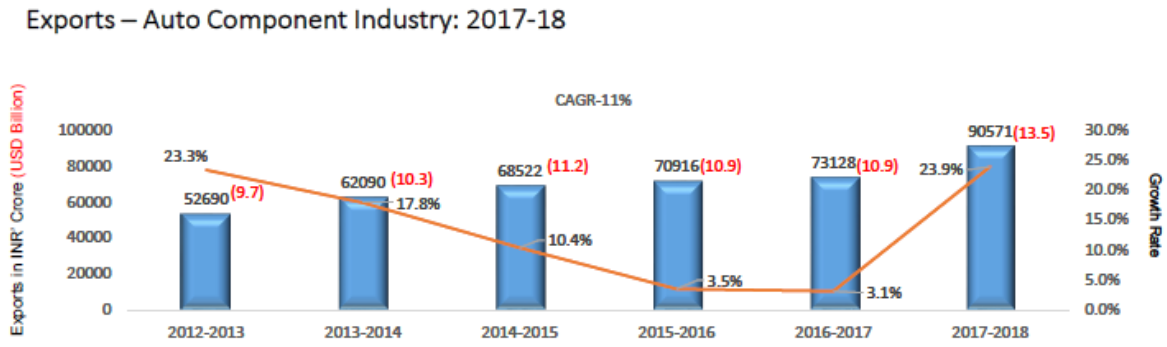
The **Automobile component industry** in India is set to become the 3rd largest in the world by 2025. The contribution of Automobile component industry in India's GDP will account to as much as 5% to 7% by 2026. The Automobile component in India contributes 2.3% to India's GDP. About 1.5 mn people are directly and 1.5 mn are indirectly are employed in this industry.

- The turnover of the Automobile component industry in India has been US$ 51.2 bn in FY 2018 and is expected to be US$ 100 bn by 2020.
- The predicted rise will be mainly due to the strong exports ranging between US$ 80-US$ 100 bn by 2026.



Source: https://www.acma.in/auto-component.php

- Out of the total exports, the Auto components exports in India account for 4% and in 2017-18, exports stood at US$ 13.50 bn.



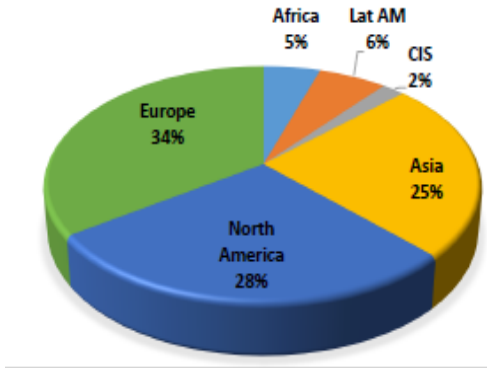
Source: https://www.acma.in/auto-component.php

- Industry exports are projected to reach US$ 30 bn by 2020-21, further rising to US$ 80 bn by 2026.

Export Destinations: Top 10 Countries in %			
USA	23%	Brazil	4%
Germany	7%	Thailand	3%
Turkey	5%	France	3%
UK	5%	Bangladesh	3%
Italy	4%	Mexico	3%

Source: https://www.acma.in/auto-component.php

- The exports grew by 23.9% to reach US$ 13.5 bn in 2017-18. Major export markets are Europe (34%), North America (28%) and Asia (25%).The domestic aftermarket for auto components stood at US$ 9.2 bn in 2017-18.



Source: https://www.acma.in/auto-component.php

- Export subsidy is available to exporters as a % of duty credit scrip under Merchandise Exports from India Scheme (MEIS). Additionally, the MEIS Scheme has been extended to additional tariff lines and expanded to 65 countries as per the recommendations by ACMA.
- Automotive Mission Plan (2016-26) projects to provide direct incremental employment to 3.2 mn by 2026.
- 100% Foreign Direct Investment (FDI) is allowed under the automatic route in the Automobile component industry in India, subject to all the applicable regulations and laws.
- The Foreign Direct Investment (FDI) inflows into the Automobile component industry in India during the period April 2000 – March 2019 is recorded at US$ 21.38 mn.

Realization of goals in the **Automotive Mission Plan (2016-26)** requires an additional investment of US$ 25-30 bn. The Automobile component industry in India will be among the top three of the worlds in engineering, manufacturing and export of vehicles and components.

The Automobile component industry in India is composed of organized and unorganized sector. The organized sector refers to original equipment manufacturers (OEMs) and is engaged in the manufacture of high-value precision instruments. Whereas, the unorganized sectors comprise of low-valued products catering to after-market services. Various sub-sectors of the Automobile component industry in India are engine parts, drive transmission & steering parts, body and chassis, suspension and braking parts, equipment, electrical parts and others such as fan belts, die-casting and sheet metal parts. India is considered competitive in manufacturing of forgings, stampings, castings, machining, wiring harness and electronic fuel injectors.
Source: http://www.makeinindia.com/sector/automobile-components

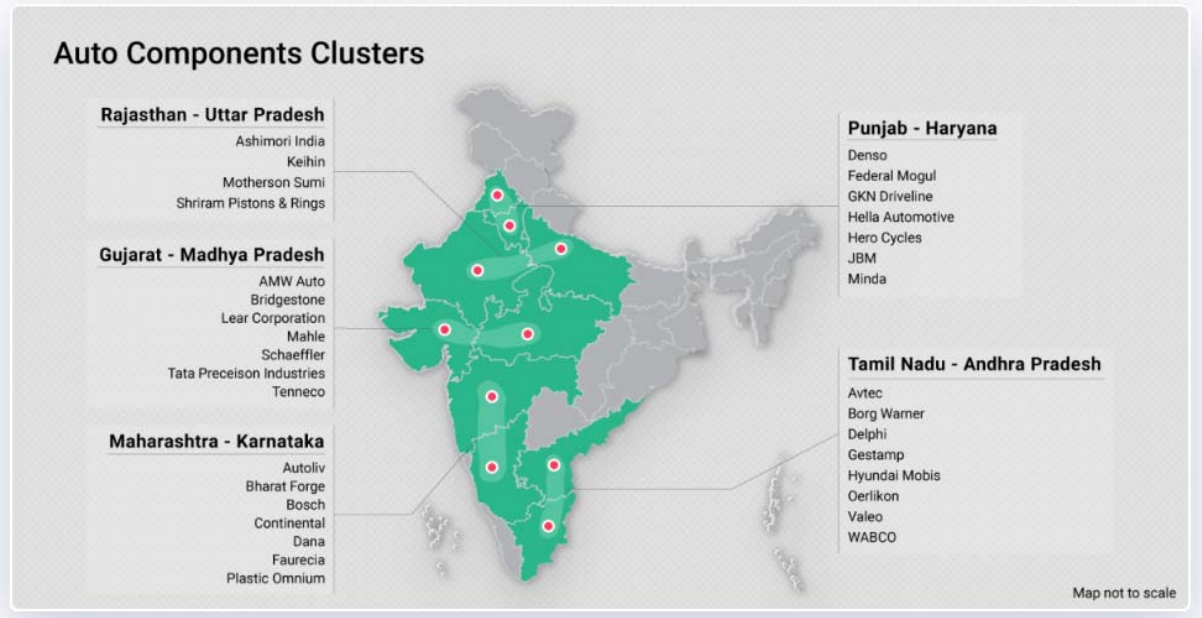
Growth Drivers of Automobile component industry in India:

- Expanding R&D hub- India accounts for 40% of global engineering and R&D activities.
- Emerging Global sourcing hub- Proximity to markets such as ASEAN, Europe, Japan, Korea.

- Cost competitive- Excise Duty reduction in vehicles will spur demand.
- Sixth largest vehicles manufacturer in the world- India expected to be third largest market by 2026.
- Favorable trade policy- 100% FDI allowed and no restrictions on import- export.

Source: https://www.investindia.gov.in/sector/auto-components

State Incentives:



Source: https://www.investindia.gov.in/sector/auto-components

Each state in India offers additional incentives for industrial projects. Incentives are in areas like subsidized land cost, relaxation in stamp duty exemption on sale and lease of land, power tariff incentives, concessional rate of interest on loans, investment subsidies, tax incentives, backward areas subsidies and special incentive packages for mega projects. Few examples are:

Andhra Pradesh:

- The Government of Andhra Pradesh is committed to providing land at concessional rates, along with 24 hours uninterrupted power supply.
- Capital subsidy of 50% for common infrastructure in auto clusters and ASMC developers, up to a maximum of US$ 3.07 mn.
- Financial assistance limited to 75% of the cost, subject to a maximum of US$ 38,461 for obtaining patent registration and 50% of all charges, subject to a maximum of US$7,692 paid for obtaining quality certification. This is applicable to only MSME units.
- Under Marketing Incentives, 50% of the cost of participation with a maximum amount of US$ 7,692 to be reimbursed to a maximum of 10 MSME units per year for participating in international trade fairs.

Gujarat:

- Auto component manufacturers can either avail general incentives under the Gujarat Industrial Policy 2015, or under the scheme for Mega/ Innovative Projects.

Jharkhand:

- Jharkhand introduced Automobile and Auto Component Policy 2016 with an aim to make Jharkhand, a preferred destination for automobile and auto-component manufacturing units.

The policy encourages the establishment of Tier-I, Tier-II and Tier-III auto-component manufacturers in the state.

Provision of financial assistance of 50% for fixed capital investments in building and common infrastructure up to a maximum of US$ 3.07 mn. 100 % electricity duty exemption shall be provided for 10 years from the date of production.

Area basis Incentives:
Incentives for units in Special Economic Zones (SEZs) / National Investment & Manufacturing Zones (NIMZs) as specified in respective Acts or setting up projects in special areas like the North-east region, Jammu & Kashmir, Himachal Pradesh & Uttarakhand.

OUR BUSINESS

NDR Auto Components Limited ("NACL") was incorporated on March 19, 2019 as a wholly owned subsidiary of Sharda Motor Industries Limited. The Scheme of Arrangement was aimed at demerger of "Automobile Seating Undertaking" of Sharda Motor Industries Limited into NDR Auto Components Limited. The Scheme was sanctioned by NCLT vide order dated February 20, 2020 (certified copy received on March 11, 2020) and is effective with the appointed date being December 31, 2018 (end of day).

Pursuant to the Scheme, the Automobile Seating Business operated by Sharda Motor Industries Limited stands demerged in our Company effective from December 31, 2018 (end of day), which includes the investment in Bharat Seats Limited, Toyota Boshoku Relan India Private Limited and Toyo Sharda India Private Limited.

The revenue from operations of our Company was ₹ 5,293.23 lakhs and the profit after tax excluding Other Comprehensive Income was ₹ 438.54 lakhs for the period ended December 31, 2019.

Product Range

- Seat Frames for Four Wheeler Vehicles for Vitara Brezza, Alto export, S-Cross, Ciaz, Swift Dzire.
- Seat Trims for two Wheeler and Four Wheeler Vehicles

NACL Pathredi: Fabrication Plant

Manufacturing Process

Setout below is brief chart setting out process involved in manufacturing of Seat Welding Frames:

Raw Material
ERW/CEW Pipe, Cold Rolled Steel/ Hot Rolled Steel, Mild Steel Wire Rods are the primary raw material used by the company for mfg. of Frames. Other R/M's include Weld electrodes, Gas etc.

Pipe Bending
Standard cut sizes pipe lengths are received from Steel sources like Bhushan Steel, JSW etc. Pipe are bend on CNC Pipe bending machine in-house with support of Mandrel, Dies etc.

Stamping
Stamping (also known as pressing) is the process of placing flat sheet metal in either blank or coil form into a stamping press where a tool and die surface forms the metal into a net shape. Stamping includes a variety of sheet-metal forming manufacturing processes, such as punching using a machine press or stamping press, blanking, embossing, bending, flanging, and coining. This could be a single stage operation where every stroke of the press produces the desired form on the sheet metal part, or could occur through a series of stages. The process is carried out on sheet metal (Metal formed by Industrial Process into thin, flat piece)

Welding
Welding is a fabrication or sculptural process that joins materials, usually metals by using high heat to melt the parts together and allowing them to cool causing fusion

Spot Welding
Spot welding (or resistance spot welding) is a type of electric resistance welding used to weld various sheet metal products, through a process in which contacting metal surface points are joined by the heat obtained from resistance to electric current. The process uses two shaped copper alloy electrodes to concentrate welding current into a small "spot" and to simultaneously clamp the sheets together. Work-pieces are held together under pressure exerted by electrodes. Typically the sheets are in the 0.5 to 3 mm thickness range. Forcing a large current through the spot will melt the metal and form the weld

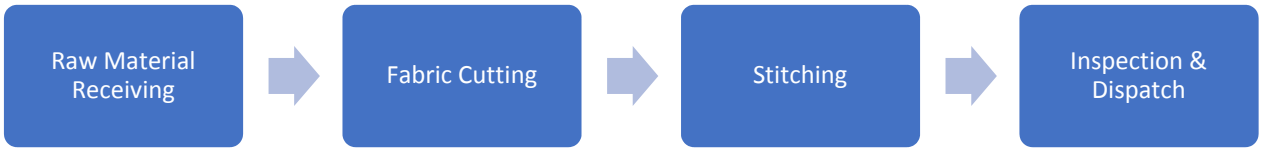
MAG Welding
MAG (Metal Active Gas) welding is an arc welding process where an electric arc is created between a consumable wire electrode (Copper Coated MS Wire) and the material to be joined. MAG welding uses active shielding gases, primarily for the welding of steels. These shielding gas is carbon dioxide

Inspection
Final part inspection at CMM, Profile Projector, General IMTE's i.e. Height Gauge, Micrometer, Vernier Calliper etc. Product Physical testing on UTM, Hardness Tester etc. & welding strength checking on Microscope with all metal cutting & polishing facilities 100% visual Inspection of all parts prior to dispatch to customer.

NACL Gurgaon: Trim Plant

Manufacturing Process

Setout below is brief chart setting out process involved in manufacturing of Seat Welding Frames:



Raw Material
Fabric (Jaquard, Dobby, etc), Vinyls, Natural Leather, Artificial Leather (PU Leather) are used as primary raw material. Other parts like Polyester threads, plastic parts, zippers, etc are also used as other Raw material based on the design type.

Cutting
Raw Material of Fabrics, Vinyls and Artificial Leather are received in form of rolls. These are spread out in layers on a large table and then cut on an automated CNC Cutting Machine. Programs of the cutting path and patterns are created before and fed into the CNC machine to derive the most optimum and best yield in the material. For natural leather, each hide is spread out individually on a machine and then scanned for shape and then cut automatically.

Stitching
Stitching is done on sewing machines. There are various types of Stitching machines used like Forward feed Single needle, Double needle Stitching machine, Long Arm Stitching Machine, Edge cutting Stitching machine, Post Bed Type Stitching machine, etc. All machines used have motor controls to stitch and have various inherent controls for tension, thread cut, etc. Polyester Thread of different types area used in the machine to join the cuttings.

Inspection
100% inspection is done on all trim parts prior to dispatch to customer. Part is kept free from loose thread, Unstitched portion, Fabric defects etc.

OUR COMPETITIVE STRENGTHS

Wide range of product offerings and applications across cars and two wheelers
Our Company offers a diverse portfolio of products designed to meet our customers evolving needs Our product portfolio provides complete Seating Solution for Vehicles which includes Seat Frames, Seat Trims and Stitched Seat

Covers for various four wheelers and also two wheeler segment for scooters and motor cycles to the Car Manufacturers. We supply these components for a broad range of vehicle types, including passenger vehicles. We believe that our ability to offer a broad range of components allows us to address various component requirements of OEMs. Our product portfolio also protects us from the variable demand that can be experienced by one or more particular vehicle programs and we expect to continue to seek to diversify our product portfolio to meet our customers' needs. Our proximity to OEMs is one of the biggest advantages for OEMs to get supply.

Strong track record and long standing relationship with reputed customers in automobile industry
Our manufacturing facilities have a successful track record of regularly supplying our products to customers. This is because of the ability to provide quality seat covers to these customers on a continuous and uninterrupted basis. We have consistently and successfully demonstrated the ability to manage key client relationships. This is reflected in the long duration of our relationships and the repeat orders for our products from some of our large customers.

Competent Management Team
We believe that our experienced management has substantially contributed to the growth of our business operations. Our Promoters Mr. Ajay Relan and Mr. Rohit Relan have more than 34 years of experience in Auto Component industry. Empowerment of management by delegation of authority has been our strength in meeting management expectations and has helped our Company in building a large team of experienced professionals. We believe that the experience of our senior management team has translated into improved product quality, increased profitability and improved margins which give us competitive edge.

Ability to continuously expand product offerings
We have a well qualified and experienced design team of mechanical engineers engaged in developing new solutions for our customers to suit their business needs. We also work on creating new products for further diversification of our product offerings in the automobile industry.

Technology absorption and product design and development
We lay emphasis on the absorption of the design and manufacturing technology of automotive components. We have a team of highly qualified and experienced automobile engineers who are fully committed towards achieving the corporate objective of growth and excellence. We have been continuously making efforts in the areas of Quality improvement, waste, reduction, process capability in major equipment and cost optimization to improve the market acceptance of our products. We impart training programs by technicians in various manufacturing techniques, participate in conferences, seminars and exhibitions.

Strategically located manufacturing facilities
We operate our factories from locations near to our key customers, which we believe gives us a competitive advantage over our competitors. We believe that our strong research and manufacturing facilities backed by factories strategic location has enabled us to procure orders from our customers.

OUR GROWTH STRATEGIES

Increasing the Customer base by manufacturing the Seats for new Products for new automobile models
Presently we are manufacturing the complete Seating Solutions, including Seat Frames and Trims for Vitara Brezza, Alto export, S-Cross, Ciaz, Swift Dzire in the four wheeler category and for scooters and motorcycles in the two wheeler category. To expand our operations, we may gradually manufacture Seats including Seat Frames and Trims for new models and for new customers of the Automobile Industry.

Optimal Utilization of Resources
Our Company constantly endeavours to improve our service process, and will increase its procurement process to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems, automation in manufacturing processes to ensure the effective management control. We regularly analyze our existing policies to be carried out for operations of our Company which enable us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

Expand geographical reach
Our Company seek to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost-effective and quality materials to prospective consumers. We seek to capitalize on our existing experience, established contracts with OEMs and automobile companies and entering into the new products considering the local working conditions.

Attracting and retaining the quality manpower
In our industry People are the most valuable asset of the company and the reputation of the company will be built up by the management team. The dedication of the employees and skill, integrity and technical analytical mind results in success and growth of business. The well informed, technically and professionally qualified employee will help the clients to take correct decision and thereby we can retain the clients and increase our clientele through mouth publicity of our company. We intend to continue to seek out talent to further enhance and grow our business.

Collaborations
We have not entered into any collaboration with respect to our business, including our marketing activities.

HUMAN RESOURCES AND HR POLICIES
We focus on hiring and retaining the best talent in the industry. We believe that the success of our company is driven primarily by our employees through their skills, their commitment and their constructive cooperation. We give our employees feedback and support and ensure that good performance is appropriately recognized. We determine the employees' compensation by the specifications of the position, competencies and performance. Wherever possible, we use success and performance driven compensation systems that include special increments.

We have in-house HR Manual containing service conditions for the employees, the expected code of conduct, and discipline. Further, the manual also aims at improving the awareness of employee's vis-à-vis health and safety measures and unlawful activities/behavior such as sexual harassment. Our employees are also entitled to all benefits as are required by law including Provident Fund, ESI and Gratuity. To ensure employee health and safety, we conduct health and safety training on regular intervals for all our employees. We are committed to provide a work environment that is free from all form of discrimination and conduct that can be considered harassing, coercive or disruptive. We maintain good working relationship with our employees.

As of March 31, 2020, post effectiveness of the Scheme, we have 79 permanent employees as per details given below:

Functions	Number of Employees	
	Pathredi	Gurgaon
Accounts	2	3
Admin & Human Resource	4	3
IT	0	1
Maintenance	8	2
Plant Head	1	1
Production	20	9
Purchase & Stores	4	0
Quality Control	9	2
R&D	2	0
Toolroom	4	0
Total	**54**	**21**

INSURANCE
Our operations are subject to risk inherent in the auto industry such as mechanical failure of equipments, work accidents, fire, theft and natural disasters, explosions including hazards that may cause injury and loss of life, severe damage to and destruction of our property and equipment, the properties of others and risk associated with adverse working environmental conditions and may affect our operations.

We have taken comprehensive insurance policies covering our manufacturing units. Our insurance policies include Standard Fire and Special Perils Policy, Burglary Policy, Marine Cargo Open Policy and other policies to insure vehicles owned by us.

INTELLECTUAL PROPERTY RIGHTS
Our Company do not have any intellectual property rights.

PROPERTIES
Our Company owns the following freehold immovable properties which are used as factory premises:

Address of Property	Location of Land	Names of seller	Consideration (in lakhs) *	Area
C-506, Block - C, Pioneer Industrial Park (Village Bhudka), Pathredi, Gurgaon, Haryana	Gurgaon	M/s Ansal Properties & Infrastructure Limited	752.84	4,211.30 sq. mtrs.

The following premises have been taken on lease by our Company

Address of Property	Names of lessor	Rent	Area
Plot No. 366-P at Pace City 2, Gurgaon, Haryana	M/s Om Exports Pvt. Ltd.	4,00,606.64 Per month plus GST	1187 sq. mtrs.
D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020	Sharda Motor Industries Limited	Nil (Obtained an NOC form Sharda Motor Industries Limited for using space as registered office of the Company)	NA

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant regulations and policies applicable to the Company as prescribed by the central and state governments in India.

- **Factories Act, 1948**
  As per the applicable provisions of the Factories Act, 1948 ("Factories Act"), read along-with the Rules framed there under, no person can operate a factory till such time it has obtained a license from the designated authorities under the Factories Act. Generally, registration/license under the said Factories Act is issued on yearly basis and is required to be renewed annually. Factories Act, is a central law which primarily regulates working conditions of workers in factories and to ensure that basic minimum requirements for the safety, health and welfare of factory workers is provided. The Act also regulates the working hours, leave, holidays, overtime, employment of children, women and young person, etc. The Factories Act is applicable to all 'factories'.

- **Compliances under the provisions of various Pollution Control Laws**
  India has a comprehensive environmental protection legal framework comprising three major statutes viz:
  - The Water (Prevention and Control of Pollution) Act, 1974;
  - The Air (Prevention and Control of Pollution) Act, 1981; and
  - The Environment Protection Act, 1986

  In order to achieve the objectives of control, and to abate and prevent pollution, Pollution Control Boards ("PCBs") vested with diverse powers have been set up in each state.

  Any establishment intending to operate a factory or manufacturing facility in India is required to obtain prior permission/consent from the appropriate State Pollution Control Board before operating any such unit or factory.

  The approvals /permissions as obtained from the State Pollution Control Board are for the specified period and are required to be renewed from time to time.

- **Industries (Development and Regulation) Act, 1951**
  The Industries (Development and Regulation) Act, 1951 (the "**IDRA Act**") provides for the development and regulation of certain scheduled industries, which are controlled and monitored by the Central Government**.** The IDRA Act was amended by way of a notification dated July 25, 1991 pursuant to which, all industrial undertakings, except for certain industries specifically mentioned therein, have been exempted from procuring a license to carry on their business activities. In terms of this notification, the cement industry has been exempted by the Central Government from obtaining an industrial license. However, the exempted industrial undertaking is required to file an Industrial Entrepreneurs Memorandum with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.

- **Registration under Contract Labour (Regulation & Abolition) Act, 1970**
  The Contract Labour (Regulation and Abolition) Act, 1970 ("CLA Act") is applicable to every establishment in which twenty or more workmen are employed directly or indirectly, on any day in the preceding twelve months as contract labour. The CLA Act aims to abolish the system of contract labour wherever possible and practicable and in other cases to regulate the working conditions of the contract labour so as to ensure timely payment of wages and provision of essential amenities.

  Every establishment covered by CLA Act, if it wants to engage twenty or more persons through a contractor has to get itself registered. CLA Act lays down that every principal employer of an establishment to which CLA Act applies shall make an application to the registering officer in the prescribed manner for registration of the establishment. Likewise, every contractor, to whom the CLA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal

employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLA Act. It is also important to note that the in case the contractor fails to pay statutory dues to its contract labour, the company may then be held responsible to clear such dues in the capacity as principal employer.

- **Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008 ("Hazardous Wastes Rules")**
  The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such waste in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, *inter alia*, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

- **Tax Legislations**
  The tax related laws that are applicable to our Company include the Central Goods and Service Tax Act, 2017, the Income Tax Act, the Income Tax Rules, the Customs Act, 1962, Wealth Tax Act, 1957, Customs Tariff Act, 1975, local body tax in respective states and Finance Act, 1994 and various applicable service tax notifications and circulars.

- **Standard of Weights and Measures Act, 1976**
  The Standard of Weights and Measures Act, 1976 was enacted to establish standards of weights and measures, to regulate inter-state trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number, and to provide for matters connected therewith or incidental thereto. Under the provisions of this Act, Central Government has enacted The Standards of Weights and Measures (Packaged Commodities) Rules, 1977. The said Rules prescribe norms for packaging of the commodities meant for retail sales, declaration to be made on all the packages, manner of declarations as quantity of the products in the packages, name and address of the manufacturer, etc.

- **Permission for Operation of Diesel Generator Sets under The Indian Electricity Rules, 1956**
  Under the Indian Electricity Rules, 1956, an approval has to be taken for installing diesel generator sets above 10 KW.12.5 KVA.

- **State Tax on Professions, Trade, Callings and Employment**
  Profession tax is levied on every person engaged in any profession, trade, calling or employment and falling under the category described in the Schedule to such Acts, and is payable to the State Government at the rate prescribed from time to time. Profession tax is payable by a company. It is also payable by an employee; however, such a payment is deducted by the employer from the salary of the employee and is paid to the Government.

- **Other Employee Welfare related acts:**
  - Employees' Provident Fund and Miscellaneous Provisions Act, 1952
  - Registration under the Employees' State Insurance Act, 1948
  - Payment of Bonus Act, 1965
  - Payment of Gratuity Act, 1972

HISTORY AND CERTAIN CORPORATE STRUCTURE

Our Company was incorporated on March 19, 2019, under the Companies Act, 2013 with the Registrar of Companies, N.C.T. of Delhi and Haryana. The Corporate Identification Number of the Company is U29304DL2019PLC347460. Registered office of the Company is situated at D-188, Okhla Industrial Area, Phase-I, New Delhi – 110020. There has been no change in the registered office of the Company since incorporation.

Major events in the history of Company

Year	Event
2019	Incorporated as a wholly- owned subsidiary of Sharda Motor Industries Limited
	The Board approved the Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited
2020	Receipt of Order from NCLT for the Demerger and transfer of "Automobile Seating Business" of SMIL into NACL

Main Objects of the Company

The main objects of the Company as per Clause III(A) of the Memorandum of Association is as under:

i. To carry on the business of assembling, blending, manufacturing, design, development, dealing and supplying components, engineering goods, equipment and interior components for the automotive and non-automotive industry for domestic and export purposes.

ii. To carry on the business of manufacturing fabricating and assembling, buying, selling, Import, export, distribution and dealing in or all and every kind of automotive components including seats, spare parts and component for the seats and to deal in each and every kind of activity associated with the manufacture and trading of any kind of components, whether directly or indirectly or whether in India or abroad.

iii. To carry on the business of manufacturing, trading, import, export in any and of or every kind of parts, interiors and components made from rubber, foam, rubberized foam, coir, yarn, (whether synthetic or woolen) whether used singly or by blending of or with various chemicals for various automotive or non-automotive application.

iv. To carry on the business of design, development, testing, validation of all and every type of components, advisory of setting up of manufacturing line, process(es), suppliers of technical know-how, equipments and man power suppliers, site planners etc.

Changes in the activities of our Company since incorporation

There have been no changes in the activities of our Company since incorporation, which may have a material adverse effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Subsidiary Company

We do not have any subsidiary company as on the date of this Information Memorandum.

Associate Company

1. Bharat Seats Limited

Bharat Seats Limited was incorporated on March 06, 1986 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana and received the Certificate of Commencement of Business dated March 18, 1986. The Corporate Identification Number of the company is L34300DL1986PLC023540. The Registered Office of the company is situated at 1, Nelson Mandela Road, Vasant Kunj New Delhi South Delhi DL 110070. The main object of the company is to manufacture and / or deal in seats for automobile and other applications, spare parts and components for the seats and to act as agents for manufacturers of seats and its various parts and components. Equity shares of Bharat Seats Limited are listed on BSE. Bharat Seats Ltd is a joint Venture of Suzuki Motor Corporation, Japan, Maruti Suzuki India Ltd and the Relans for the manufacture of complete seating systems and interior components for the automotive and surface transport. We hold 90,00,000 equity shares in Bharat Seats Limited representing 28.66% of its paid up share capital.

Board of Directors

- Mr. Rohit Relan
- Mrs. Sharda Relan
- Mr. Ajay Relan
- Mr. Prateep Kumar Lahiri
- Mr. Girish Narain Mehra
- Mr. Ravindra Gupta
- Mr. Arvind Varma
- Mr. Shyamla Khera
- Mr. Raman Venkat Challa
- Mr. Toshiya Miki

Shareholding pattern as on March 31, 2020

Cate-gory	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957) (as a % of (A+B+C)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
						No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	14	2,34,19,824	2,34,19,824	74.59	-	-	-	-	2,34,19,824
(B)	Public	11,036	79,80,176	79,80,176	25.41	-	-	-	-	76,73,063
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-
	Total	**11,050**	**3,14,00,000**	**3,14,00,000**	**100.00**	-	-	-	-	**3,10,92,887**

The high and low closing prices and associated volumes of securities traded during last three financial years are as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
2020	97.80	03/04/2019	15,840	29.10	25/03/2020	52,026	65.07
2019	234.85	20/04/2018	98,551	72.00	18/02/2019	12,187	154.35
2018	273.90	04/01/2018	109,754	69.00	05/04/2017	61,501	158.89

The high and low closing prices and associated volume of securities traded during the last six months is as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
April 2020	52.45	16/04/2020	36,465	35.00	01/04/2020	10,628	46.07
March 2020	56.00	02/03/2020	13,820	29.10	25/03/2020	52,026	39.70
February 2020	67.70	06/02/2020	3,801	46.10	28/02/2020	14,419	59.09
January 2020	76.00	22/01/2020	31,018	63.25	30/01/2020	5,557	70.33
December 2019	73.80	27/12/2019	157,868	55.50	11/12/2019	5,915	67.44
November 2019	72.95	05/11/2019	89,555	60.15	18/11/2019	19,909	65.25

For the purpose of aforesaid tables:

- Year is financial year ending on March 31.

- Weighted Average Price (Total Turnover / Total Traded Quantity) for all trading days during the said period
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares of our Company for the year, or the month, as the case may be
- In case of two days with the same high / low, the date with higher volume has been considered

There are no investor complaints pending against Bharat Seats Limited.

Financial performance
The audited financial results of Bharat Seats Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	90,884.39	1,00,258.65	94,925.59
Profit after Tax	2,142.05	2,821.51	1,217.31
Equity share capital	628.00	628.00	628.00
Reserves & Surplus	9,827.89	8,048.05	5,585.88
Net Worth	10,455.89	8,676.05	6,213.88
Book Value per share of face value ₹ 2/- each (in ₹)	33.30	27.63	19.79
Earnings per share of face value ₹ 2/- each (in ₹)	6.82	8.99	3.88

2. Toyota Boshoku Relan India Private Limited

Toyota Boshoku Asia Co. Ltd, a company incorporated under the laws of Thailand and having its principal office at 801, Kanchanapisek Road, Prawet Sub District, Prawet District, Bangkok, Thailand and **Sharda Motor Industries Limited**, a company duly incorporated and existing under the laws of India, having its registered office at D-188, Okhla Industrial Area, Phase I, New Delhi, India entered into a Joint Venture on September 27, 2013.

Main object of the agreement are:
(1) to initially approach the Customers and procure business of manufacturing, and thereafter supplying the manufactured Products in the Territory (Business), and to provide for the establishment, ownership, management and operation by the Parties of the JVC, which will be named as mutually agreed by the Parties and as approved by the RoC in India.
(2) the Design and Development function of the JVC shall be initially satellite engineering support service to be provided to the Customers.

Financial performance
The audited financial results of Toyota Boshuku Relan India Private Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	0.12	-	50.05
Profit after Tax	(0.47)	(1.10)	48.58
Equity share capital	1.00	1.00	1.00
Reserves & Surplus	(18.79)	(18.32)	(17.22)
Net Worth	(17.79)	(17.32)	(16.22)
Book Value per share of face value ₹ 10/- each (in ₹)	(177.90)	(173.20)	(162.20)
Earnings per share of face value ₹ 10/- each (in ₹)	(4.70)	(10.98)	(485.79)

3. Toyo Sharda India Private Limited

Toyo Seat Co. Limited, incorporated under the laws of Japan and having its principal office at 1-6-25, Kuninobu, Kaita-Cho, Akl-Gum Hiroshima-ken 736-002 Japan and **Sharda Motor Industries Limited**, Incorporated under the laws of India and having its registered office at D-188, Okhla Industrial area, Phase I, New Delhi -110020 entered into a Joint Venture on August 08, 2014.

Main objects of the agreement are:

(i) Designed, development, evaluation, manufacture and supply of four wheeler seats components including device and high tensile strength farme for automobiles in India for domestic and Export purposes and

(ii) Procurement and export of seat part from India

Financial performance

The audited financial results of Toyo Sharda India Private Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	2,169.38	1,712.25	1,496.35
Profit after Tax	200.02	276.67	192.51
Equity share capital	150.00	150.00	150.00
Reserves & Surplus	638.09	446.65	167.88
Net Worth	788.09	596.65	317.88
Book Value per share of face value ₹ 10/- each (in ₹)	52.54	39.78	21.19
Earnings per share of face value ₹ 10/- each (in ₹)	13.33	18.44	12.83

Strategic Partners / Joint Venture

Except for joint ventures operating through associate companies as above, we do not have any strategic partner or joint venture as on the date of the Information Memorandum.

Financial Partners

As on the date of the Information Memorandum, we do not have any other financial partners.

Scheme of Arrangement

The Hon'ble National Company Law Tribunal, New Delhi Bench, vide Order dated February 20, 2020 (certified copy received by the Company on March 11, 2020) has sanctioned the Scheme of Arrangement under sections 230 to 232 read with Section 66 of the Companies Act, 2013 between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors for demerger and transfer of the "Auomobile Seating Undertaking" of Sharda Motor Industries Limited (Demerged Company) into NDR Auto Components Limited (Resulting Company). For more details relating to the scheme of arrangement and demerger, please refer to the Section titled "Scheme of Arrangement" on page 33 of this Information Memorandum.

OUR MANAGEMENT

As per Article 58(i) of the Articles of Association of our Company, we shall not have less than 2 and more than 15 Directors on our Board of Directors. The following table sets forth certain details regarding the Board of Directors as on the date of the Information Memorandum:

Sr. No.	Name, Designation, Father's Name, Address, occupation	Nationa -lity	Age (Yrs)	Directorships in other Companies
1.	**Mrs. Sharda Relan** Director W/o Late Sh. Narinder Dev Relan 25, Sardar Patel Marg Chanakya Pur New Delhi 110021 DIN: 00252181 Occupation: Business Date of appointment: March 19, 2019 Term: To retire by rotation	Indian	84	• Bharat Seats Limited • Sharda Motor Industries Limited • Sharda Auto Solutions Private Limited • Relan Industrial Finance Limited
2.	**Mr. Ajay Relan** Director S/o Late Sh. Narinder Dev Relan 25, Sardar Patel Marg Chanakya Pur New Delhi 110021 DIN : 00257584 Occupation: Business Date of appointment: March 19, 2019 Term: To retire by rotation	Indian	58	• Bharat Seats Limited • Sharda Motor Industries Limited • Exaust Technology Private Limited • Sharda Inoac Private Limited • Toyo Sharda India Private Limited • Toyota Boshuka Relan India Private Limited • Progressive Engineering and Automation Private Limited • Relan Industrial Finance Limited
'3.	**Mr. Dharam Asrey Aggarwal** Whole Time Director & Chief Financial Officer S/o Mr. Shanti Prasad Aggarwal B-21 Rampuri, Near Surya Nagar, Ghaziabad, UP - 201011 DIN: 07720007 Occupation: Professional Date of appointment: May 01, 2020 Term: One year from date of appointment	Indian	74	• Relan Industrial Finance Limited
4.	**Mr. Udayan Banerjee** Director S/o Sh. Pangshu Mohan Banerjee 2 , Second Floor, Front Flat Siri Fort Road, Sadiq Nagar, Delhi - 110049 DIN : 00339754 Occupation: Professional Date of appointment: March 12, 2020 Term: 5 years from date of appointment	Indian	73	• Sharda Motor Industries Limited
5.	**Mr. Kishan Nagin Parikh** Director S/o Sh. Nagin B. Parikh 8-A, Monalisa 17, Camac Street Kolkata - 700017 DIN : 00453209 Occupation: Professional Date of appointment: March 12, 2020 Term: 5 years from date of appointment	Indian	52	• Sharda Motor Industries Limited • Pebco Motors Limited • Pebco Industries Limited • Anjana Minerals Private Limited • Brisco Private Limited • Aersoft Trading & Marketing Private Limited • Jamshedpur Air-Connect Private Limited

Brief Profile of Directors

Mrs. Sharda Relan, 84 years, is one of the promoters of our Company. She is also associated with various charitable institutions and is an active member of Inner Wheel Club and Child Society of India. She plays an active role in various social organizations.

Mr. Ajay Relan, 58 years, hold a degree in B.Com (Hons.) and took three years training from Harvard Business School, U.S.A under Owner/President Management (O.P.M.) Programme. He is a dynamic entrepreneur having a vast experience in the line of manufacture of automobile components and setting up of new projects and its successful implementation. As Managing Director of Sharda Motor Industries Limited, he has been responsible for overall manufacturing operations, Plant, Research & Development, Product Development and complete supervision of Sharda Motor Industries Limited.

Mr. Dharam Asrey Aggarwal, aged 74 years, holds Masters Degree in Commerce and Accounting Technician Certificate and has more than 46 years of experience in finance and accounts. He has worked in companies like Gem India Limited, Atlas Cycle Industries Limited and Sharda Motor Industries Limited. Besides being Whole Time Director, he is also the Chief Financial Officer of the Company.

Mr. Udayan Banerjee, 73 years, holds Masters Degree in Earth Science from IIT Kharagpur in 1969 and also holds diploma in work study from Work Factor Co. of USA in 1978. Sh. Udayan Banerjee started his career in year 1970, as Management Trainee with 'Bata Shoes Limited', wherein he was nominated to attend course on work-study under Johan Hopkins University in United States of America in the Year 1978. In Year 1981, Sh. Udayan Banerjee joined Stepwel Industries Limited, as Production Manager. During his tenure with Stepwel Industries Limited, he contributed to the Development and Marketing of "Piere Cardin" brand in India, besides developing business in West Germany and United Kingdom. Sh. Udayan Banerjee served 'Stepwel Industries Limited' for five years.

Subsequently, Sh. Udayan Banerjee worked as Technical and Marketing consultant with UNCTAD/ GATT (presently WTO) for two years. In year 1988, Sh. Udayan Banerjee started working as an Independent Consultant / agent for marketing of plant, machinery and material to various internationally reputed companies of Japan, France and Italy. Sh. Udayan Banerjee was associated with Sharda Motor Industries Limited (SMIL) at various positions for approx. 17 years. During his association with SMIL, he led several teams of Manufacturing Units of Automobile Components. At present Sh. Udayan Banerjee is actively involved in child development, teaching poor children and helping them to develop their various inherent qualities and is also involved in rural development in the field of environment protection and child health care. Presently he is an Independent Director on the Board of Sharda Motor Industries Limited.

Mr. Kishan Nagin Parikh, 52 years, is a Commerce Graduate and has over 31 years of experience in the field of business management. He has been associated with Jamshedpur Beverages, Pebco Motors Limited and implemented ISO 9001-2000 in favour of Pebco Motors Limited. He has played vital roles in Singhbhum Chamber of Commerce & Industry, Rotary Club of Jamshedpur, Jamshedpur Vaishnav Samaj, Gujarati Sanatan Samaj.

Relationship between the Directors

Except as under, none of the Directors are related to each other:

Name of Director	Related to	Nature of relationship
Mrs. Sharda Relan	Mr. Ajay Relan	Mother

None of our Directors, have held or are holding directorships in any listed companies whose shares have been or were suspended from being traded on the BSE and / or the NSE or whose shares have been or were delisted from the stock exchange(s). We also confirm that:

- we have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which our Director were selected as Director or member of Senior Management.
- We have not entered into any service contracts with our Managing Director / Whole Time Director which provide for any benefit upon termination of employment.

Remuneration of our Directors
Our Company is not paying any remuneration to the Directors of the Company. However, Non-executive Directors are entitled for a sitting fees of ₹ 20,000/- for every Board meeting and ₹ 10,000/- for every Committee meeting attended by them w.e.f. April 01, 2020.

Borrowing Powers of the Board
Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a special resolution passed on February 20, 2020, our shareholders in their Extra Ordinary General Meeting authorized our Board to borrow from time to time such sums of money as may be required under Section 180(1)(c) of the Companies Act, 2013, provided that such amount shall not exceed ₹ 50 crores.

Corporate Governance
Applicable provision of the Companies Act, 2013 with respect to corporate governance and the provisions of the SEBI (LODR) Regulations, 2015, as amended from time to time, will be applicable to our Company upon the listing of the Equity Shares with the Stock Exchanges in India.

Our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, SEBI (LODR) Regulations, as amended from time to time, particularly those relating to composition of Board of Directors and constitution of committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

Composition of Board of Directors
Currently, the Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in accordance with Companies Act, 2013 and SEBI (LODR) Regulations. Our Board has 5 Directors, comprising of One Executive Director (i.e. Whole-time Director), Two Non-Independent Non-Executive Director (including one Woman Director) and Two Non-Executive Independent Directors. Our Company has constituted the following Committees in compliance with the corporate governance norms:

1. Audit Committee
The Audit Committee was constituted by our Board in their meeting held on March 12, 2020 in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations. The Audit Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Udayan Banerjee	Chairperson	Independent Director
2.	Kishan Nagin Parikh	Member	Independent Director
3.	Sharda Relan	Member	Non-Executive – Promoter

Our Company Secretary is the Secretary to the Committee.

2. Nomination and Remuneration Committee
The Nomination and Remuneration Committee was constituted by our Board in their meeting held on March 12, 2020 in accordance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR Regulations. The Nomination and Remuneration Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Kishan Nagin Parikh	Chairperson	Independent Director
2.	Udayan Banerjee	Member	Independent Director
3.	Ajay Relan	Member	Non Executive – Promoter

Our Company Secretary is the Secretary to the Committee.

3. Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee was constituted by our Board in their meeting held on March 12, 2020 in accordance with the requirements of Regulation 20 of the SEBI LODR Regulations. The Stakeholder's Relationship Committee presently comprises of:

Sr. No.	Name of Member	Designation	Remarks
1.	Udayan Banerjee	Chairperson	Independent Director
2.	Kishan Nagin Parikh	Member	Independent Director
3.	Ajay Relan	Member	Non Executive – Promoter

Our Company Secretary is the Secretary to the Committee.

Interests of Directors

All of our directors may be deemed to be interested to the extent of remuneration or fees, if any, payable to them, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and / or reimbursement of expenses and / or commission, if any, payable to them and to the extent of related party transactions.

Shareholding of our Directors

The shareholding of the Directors in our Company is as under:

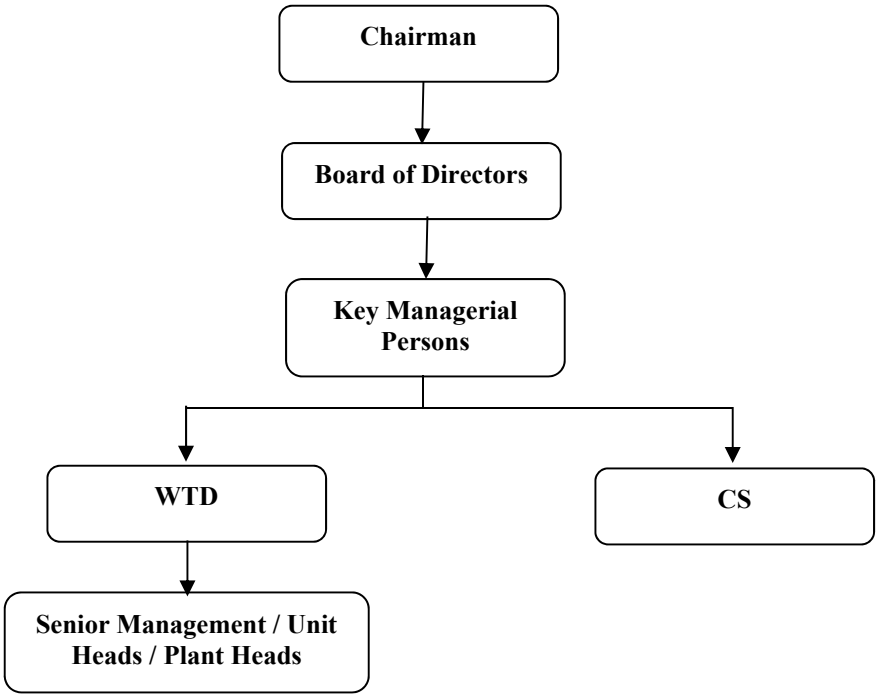
Sr. No.	Name of the Shareholders	No. of Equity Shares	% of holding
1.	Mrs. Sharda Relan	Nil	-
2.	Mr. Ajay Relan	19,27,219	32.41
3.	Mr. Dharam Asrey Aggarwal	Nil	-
4.	Mr. Udayan Banerjee	Nil	-
5.	Mr. Kishan Nagin Parikh	150	0.003

Changes in the Board of Directors in the last 3 years

Except the following, there has been no change in the Board of Directors of our Company during the last three years:

Name of Director	Date of appointment	Date of cessation	Reason for change
Sharda Relan	March 19, 2019	NA	First Director named in AOA
Ajay Relan	March 19, 2019	NA	First Director named in AOA
Dharam Asrey Aggarwal	March 19, 2019	NA	First Director named in AOA
Udayan Banerjee	March 12, 2020	NA	Appointed as Independent Director in compliance with the provisions of Companies Act, 2013 and Listing Requirements
Kishan Nagin Parikh	March 12, 2020	NA	Appointed as Independent Director in compliance with the provisions of Companies Act, 2013 and Listing Requirements
Dharam Asrey Aggarwal	May 1, 2020	NA	Appointed as Whole-Time Director in compliance with the provisions of Companies Act, 2013

Organization Chart



Key Managerial Personnel
Following are the Key Managerial Personnel of our Company:

Name	Designation	Age (years)	Qualification	Experience (years)	Date of Joining	Previous Employment
Mr. Ashutosh Vedi	Company Secretary	25	ACS, B.Com	Nil	April 01, 2020	NA
Dharam Asrey Aggarwal	Chief Financial Officer	74	M.com & CA Intermediate	46	May 01, 2020	Sharda Motor Industries Limited

Mr. Ashutosh Vedi, aged 25 years is holds degree of Company Secretary. He is engaged in secretarial, legal and corporate compliances.

Mr. Dharam Asrey Aggarwal, aged 74 years, holds masters degree in commerce and accounting technician certificate and has more than 46 years of experience in finance and accounts. He has worked in companies like Gem India Limited, Atlas Cycle Industries Limited and Sharda Motor Industries Limited.

All our Key Managerial Personnel are permanent employees of our Company. Further, there is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.

Relationship between Key Managerial Personnel and Directors
None of the Key Managerial Personnel of the Company is related to the Directors of our Company

OUR PROMOTERS

The Promoters of our Company are:

1. Mrs. Sharda Relan

Passport No.	: Z2161408
PAN	: AAKPR2245N
Bank a/c No.	: 02481000053636 with HDFC Bank, 4, Shopp Cplx, 48, Malcha Marg, Block C, Diplomatic Enclave, Chanakyapuri, New Delhi. Delhi 110021

Mrs. Sharda Relan, 84 years, is the Non Independent Non-Executive Director and one of the promoters of our Company. She is also associated with various charitable institutions and is an active member of Inner Wheel Club and Child Society of India. She plays an active role in various social organizations.

2. Mr. Ajay Relan

Passport No.	: Z3001342
PAN	: AAEPR4256P
Bank a/c No.	: 02481000053697 with HDFC Bank, 4, Shopp Cplx, 48, Malcha Marg, Block C, Diplomatic Enclave, Chanakyapuri, New Delhi, Delhi 110021

Mr. Ajay Relan, 58 years, is the Managing Director of our Company. He completed his B.Com (Hons.) and took three years training from Harvard Business School, U.S.A under Owner/President Management (O.P.M.) Programme. He is an entrepreneur having experience in the line of manufacture of automobile components and setting up of new projects and its successful implementation. He is Managing Director of Sharda Motor Industries Limited.

3. Mr. Rohit Relan

Passport No.	: Z5525338
PAN	: AAEPR4255Q
Bank a/c No.	:000390700005716 with YES Bank, Chanakyapuri, New Delhi

Mr. Rohit Relan, 64 years, is Chairman and Managing Director of Bharat Seats Limited, a Joint Venture with Maruti Udyog Limited, India and Suzuki Motor Corporation, Japan. Mr. Rohit Relan has led and steered very successfully, Bharat Seats Limited for the last 34 years. A successful entrepreneur and a an able administrator, the company has built a reputation of one working with integrity and a no compromise on the quality of products that flow out of the plant premises.

A Chartered accountant by education, he has undergone the Owner President Management Progarm at Harvard Business School and has also undergone a short term management program at INSEAD. Mr. Rohit Relan has wide experience in the auto Industry as well as in financial services.

Other confirmation
Our Promoters have not been declared as willful defaulters by the RBI or any other Governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

Our Promoters and Promoter Group entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter are not and have never been a promoter, director or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Interest of Promoters
Our Promoters shall be deemed as interested to the extent of Equity Shares held by them or by the companies / firms / ventures promoted by them, if any and dividend or other distributions payable to them in respect of the said Equity Shares. Except as stated above and in the section titled "Financial Statements" on page 68 of the Information Memorandum, and to the extent of shareholding in our Company, our Promoter does not have any other interest in our business.

Related party transactions
For details of related party transactions refer to "Financial Statements" on page 68 of the Information Memorandum.

Promoter Group
None of the Promoter Group Companies have made any public issue in the preceding three years. None of the Promoter Group Company has become a sick company nor is not under winding up or liquidation. For details on material litigations and disputes pending against the Promoter Group Entities please refer to the section titled "Outstanding Litigations and Material Developments" on page 70 of the Information Memorandum.

GROUP COMPANIES

Given below is the list of entities which are Group Companies of our Company as per Regulation 2(1)(t) of the SEBI ICDR Regulations. None of the Group Companies have made any public issue in the preceding three years. None of the Group Company has become a sick company and is not under winding up or liquidation. For details on litigations and disputes pending against the Group Companies, please refer to the section titled "Outstanding Litigations and Material Developments" on page 70 of the Information Memorandum.

Definition: "group companies", shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer.

1. Sharda Motor Industries Limited

Sharda Motor Industries was incorporated on January 29, 1986 under the Companies Act, 1956 with the Registrar of Companies, NCT Delhi & Haryana and received Certificate of Commencement of Business on January 31, 1986. The Corporate Identification Number of the Company is L74899DL1986PLC023202. The Registered Office of the Company is situated at D – 188, Okhla Industrial Area, Phase – I, New Delhi – 110 020. The main Objects of the Company is to manufacture and/or deal in automobile, automobile parts including seat covers, spare parts and components of machineries etc. Equity Shares of Sharda Motor Industries Limited are listed on BSE and NSE.

Board of Directors

- Mr. Ajay Relan
- Mrs. Sharda Relan
- Mr. Rohit Relan
- Mr. Udayan Banerjee
- Mr. Kishan Nagin Parikh
- Mr. Ashok Kumar Bhattacharya
- Mr. Satinder Kumar Lambah
- Mr. Nitin Vishnoi

Shareholding pattern as on March 31, 2020

Cate-gory	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957) (as a % of (A+B+C)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
						No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	13	43,52,579	43,52,579	73.20	-	-	-	-	43,52,579
(B)	Public	8,222	15,93,747	15,93,747	26.80	-	-	-	-	15,09,900
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-
	Total	**8,235**	**59,46,326**	**59,46,326**	**100.00**	-	-	-	-	**58,62,479**

Share Price details

NSE

The high and low closing prices and associated volumes of securities traded during last three years are as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
2020	1,579.90	04/04/2019	1,494	480.00	13/03/2020	10,963	997.51
2019	2,340.00	01/08/2018	2,887	1,138.55	14/02/2019	2,912	1,828.82
2018	3,140.00	05/09/2017	39,325	1,702.10	24/05/2017	1,726	2,475.67

The high and low closing prices and associated volume of securities traded during the last six months is as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
April 2020	821.20	20/04/2020	189	535.00	01/04/2020	160	700.75
March 2020	869.35	02/03/2020	2,001	480.00	13/03/2020	10,963	633.97
February 2020	1,020.00	05/02/2020	1,038	836.00	27/02/2020	1,915	913.88
January 2020	1,125.00	02/01/2020	3,631	983.85	30/01/2020	1,585	1,050.42
December 2019	1,150.00	30/12/2019	3,958	905.60	12/12/2019	4,320	1,010.03
November 2019	1,155.00	26/11/2019	2,237	1,018.25	25/11/2019	6,873	1,085.27

BSE

The high and low closing prices and associated volumes of securities traded during last three years are as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
2020	1,570.00	03/06/2019	57	483.00	13/03/2020	15,300	847.24
2019	2,343.95	01/08/2018	317	1,155.00	14/02/2019	365	1,823.78
2018	3,099.65	05/09/2017	11,255	1,701.60	24/05/2017	520	2,452.44

The high and low closing prices and associated volume of securities traded during the last six months is as follows:

Period	High (in ₹)	Date of High	Volume on date of high (no. of shares)	Low (in ₹)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (in ₹)
April 2020	894.00	20/04/2020	2,715	655.90	21/04/2020	2,613	731.69
March 2020	860.00	02/03/2020	531	483.00	13/03/2020	15,300	601.94
February 2020	1,080.00	10/02/2020	59	833.65	26/02/2020	265	923.93
January 2020	1,131.80	02/01/2020	187	960.00	31/01/2020	70	1,049.87
December 2019	1,150.90	30/12/2019	943	910.00	13/12/2019	189	1,055.02
November 2020	1,172.55	18/11/2019	62	1,020.00	25/11/2019	154	1,093.90

For the purpose of aforesaid tables:

- Year is financial year ending on March 31.
- Weighted Average Price (Total Turnover / Total Traded Quantity) for all trading days during the said period
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares of our Company for the year, or the month, as the case may be
- In case of two days with the same high / low, the date with higher volume has been considered

Financial performance

The audited financial results of Sharda Motor Industries Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	1,16,184.98	1,22,206.18	1,23,924.64
Profit after Tax	8,786.04	7,861.02	5,675.47
Equity share capital	594.63	594.63	594.63
Reserves & Surplus	43,233.95	34,908.13	27,937.47
Net Worth	43,828.58	35,502.76	28,532.10
Book Value per share of face value ₹ 10/- each (in ₹)	737.07	597.06	479.83
Earnings per share of face value ₹ 10/- each (in ₹)	147.76	132.20	95.45

2. Relan Industrial Finance Limited

Relan Industrial Finance Limited was incorporated on January 07, 1987 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana and received the Certificate of Commencement of Business on January 15, 1987. The Corporate Identification Number of the Company is U65923DL1987PLC026603. The Registered Office of the company is situated at D – 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020. The Company is carrying on its business as Stock Broker and registered as Stock Broker with National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited.

Board of Directors as on March 31, 2020

- Sharda Relan
- Rohit Relan
- Ajay Relan
- Mala Relan
- Pranav Relan
- Dharam Asrey Aggarwal

Shareholding Pattern as on March 31, 2020

Name	No. of equity shares	% of shareholding
Late Narinder Dev Relan	50,000	4.81
Rohit Relan	70,000	6.73
Ritu Relan	1,70,000	16.35
Sharda Motor Industries Limited	4,90,000	47.12
Sharda Relan	50,000	4.80
Ajay Relan	80,000	7.69
Mala Relan	130,000	12.50
Total	**10,40,000**	**100.00**

Financial performance

The audited financial results of Relan Industrial Finance Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	191.24	211.22	93.48
Profit after Tax	128.03	149.99	54.56
Equity share capital	104	104	104
Reserves & Surplus	683.68	555.64	405.65
Net Worth	787.68	659.64	509.65
Book Value per share of face value ₹ 10/- each (in ₹)	75.74	63.43	49.00
Earnings per share of face value ₹ 10/- each (in ₹)	12.31	14.42	5.25

3. Progressive Engineering and Automation Private Limited

Progressive Engineering and Automation Private Limited was incorporated on October 21, 2005 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. The Corporate Identification Number of the company is U34300DL2005PTC142017. The Registered Office of the company is situated at D – 188, Okhla Industrial Area, Phase – I, New Delhi – 110 020. The main object of the company is to manufacture, import, export and/or deal in engineering goods, including auto parts, parts and components and/ or to act as agents for manufacturers of engineering goods.

Board of Directors as on March 31, 2020

- Rohit Relan
- Ajay Relan
- Ranjan Banerjee

Shareholding Pattern as on March 31, 2020

Name	No. of equity shares	% of shareholding
Narinder Dev Relan	5,03,000	16.77%
Rohit Relan	7,53,000	25.10%
Ajay Relan	7,54,000	25.13%
Narinder Dev Relan Jt Sharda Relan	1,06,112	3.54%
ND Relan HUF	111,111	3.70%
Sharda Relan Jt ND Relan	111,111	3.70%
Rohit Relan Jt ND Relan	52,776	1.76%
Rohit Relan HUF	55,334	1.84%
Ritu Relan Jt ND Relan	55,556	1.85%
Pranav Relan Jt ND Relan	55,555	1.85%
Ayush relan Jt ND Relan	55,555	1.85%
Rishabh Relan Jt ND Relan	55,555	1.85%
Ajay relan Jt ND Relan	62,667	2.09%
Mala Relan Jt ND Relan	66,667	2.22%
Ajay Relan HUF Jt ND Relan	66,667	2.22%
Aashita Relan Jt ND Relan	66,666	2.22%
Aashim Relan Jt ND Relan	66,666	2.22%
Total	**30,00,000**	**100.00**

Financial performance

The audited financial results of Progressive Engineering and Automation Private Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	158.66	0.90	0
Profit / (Loss) after Tax	72.1	(30.60)	(32.57)
Equity share capital	300	300	300
Reserves & Surplus (net of miscellaneous expenses not written off)	(296.14)	(368.24)	(337.64)
Net Worth	3.86	(68.24)	(37.64)
Book Value per share of face value ₹ 10/- each (in ₹)	0.13	(2.27)	(1.25)
Earnings per share of face value ₹ 10/- each (in ₹)	2.40	(1.02)	(1.09)

4. Sharda Auto Solutions Private Limited

Sharda Auto Solutions Private Limited was incorporated on November 20, 2002 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. The Corporate Identification Number of the company is U34300DL2002PTC117723. The Registered Office of the company is situated at D – 188, Okhla Industrial Area,

Phase – I, New Delhi – 110 020. The main object of the company is to manufacture, and/or deal in automobiles, automotive, automobile/automotive parts including bellos, tube bending, suspension parts, accessories, exhaust system, seats, seat cover, plastic / sheet metal parts of all kinds, spare parts and components of machinery and of all articles and things usual in the manufacture and maintenance and working thereof; to act as agents, sub-agents, dealers, sub-dealers, traders and franchise for the manufacture and of various parts and components.

Board of Directors as on March 31, 2020

- Sharda Relan
- Ritu Relan
- Mala Relan

Shareholding Pattern as on March 31, 2020

Name	No. of equity shares	% of shareholding
Sharda Relan	2,72,750	33.33
Ritu Relan	2,72,750	33.33
Mala Relan	2,72,750	33.34
Total	**81,82,500**	**100.00**

Financial performance

The audited financial results of Sharda Auto Solutions Private Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	4.77	5.00	1,366.31
Profit / (Loss) after Tax	3.15	3.83	952.49
Equity share capital	81.83	81.83	81.83
Reserves & Surplus	1,016.37	1,013.22	1,009.40
Net Worth	1,098.20	1,095.05	1,091.23
Book Value per share of face value ₹ 10/- each (in ₹)	134.21	133.82	133.35
Earnings per share of face value ₹ 10/- each (in ₹)	0.38	0.47	116.41

5. Sharda Inoac Private Limited

Sharda Inoac Private Limited was incorporated on February 15, 2012 under the Companies Act, 1956 with the Registrar of Companies NCT Delhi & Haryana. The Corporate Identification Number of the company is U34100DL2012PTC231568. The Registered Office of the company is situated at D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020. The main object of the company is to manufacture, sale, import, export, act as agent and/or deal in extrusion parts, energy absorption parts and/or components and other automotive parts for the automotive industry.

Board of Directors as on March 31, 2020

- Rohit Relan
- Ajay Relan
- Ravi Sangam Aiyar

Shareholding Pattern

Name	No. of equity shares	% of shareholding
Progressive Engineering and Automation Private Limited	5,000	50.00
Polyfoam Asia Pte Limited	5,000	50.00
Total	**10,000**	**100.00**

Financial performance

The audited financial results of Sharda Inoac Private Limited for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	0	0	0
Profit / (Loss) after Tax	(0.09)	(0.12)	(0.26)
Equity share capital	1.00	1.00	1.00
Reserves & Surplus	(1.29)	(1.20)	(1.07)
Net Worth	(0.29)	(0.20)	(0.07)
Book Value per share of face value ₹ 10/- each (in ₹)	(2.90)	(2.00)	(0.70)
Earnings per share of face value ₹ 10/- each (in ₹)	(0.95)	(1.25)	2.55

6. A N I Hospitality LLP

A N I Hospitality LLP was incorporated on November 10, 2009 under the Limited Liability Partnership Act, 2008. The Limited Liability Partnership Identity Number (LLPIN) of A N I Hospitality LLP is AAA-0351. The Registered Office of the LLP is situated at D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020. The LLP is into restaurant business.

Designated Partners as on March 31, 2020

- Aashita Relan
- Mala Relan
- Mentor Trading & Capital Consultants Private Limited

Obligation of Contribution

Designated Partners	Amount of Contribution (in ₹)	%
Aashita Relan	2,10,00,000	45.65
Mala Relan	1,25,00,000	27.17
Mentor Trading & Capital Consultants Private Limited	1,25,00,000	27.17
Total	**4,60,00,000**	**100.00**

Financial performance

The audited financial results of A N I Hospitality LLP for the financial years ended March 31, 2019, 2018 and 2017 are set forth below.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Total Income	698.19	628.08	699.54
Profit / (Loss) after Tax	(16.80)	(225.51)	(125.76)
Contribution	460.00	460.00	460.00
Reserves & Surplus	(419.00)	(402.20)	(198.69)

7. Sharda Enterprises

Sharda Enterprises is a partnership firm. The Partners of the firm Mrs. Sharda Relan, Mrs. Ritu Relan and Mrs. Mala Relan entered into the partnership deed on July 11, 1990 to carry on the business to manufacture and sale of automobile parts including seat covers of all types and description and to do trading in any item of automobile, handicrafts, readymade garments, leather item or any other similar items and such other business or businesses as may mutually be agreed upon among the partners.. The address of the firm is S 233, Panchsheel Park, New Delhi - 110 017.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Profit after Tax	92.33	92.79	93.23
Capital	716.08	696.64	704.35

DIVIDEND POLICY

The declaration and payment of dividend on the Equity Shares will be recommended by our Board and approved by the shareholders of our Company (except interim dividend) at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. Further, the Board may also declare interim dividend in accordance with the provisions of the Act.

Our Company has not declared any dividend since incorporation.

FINANCIAL STATEMENTS

Index to Financial Statements

Sr. No.	Financial Statements	Page No.
1	Audited Financial Statements for the period ended December 31, 2019	F-1

Gupta Vigg & Co.
Chartered Accountants

E-61, Lower Ground Floor, Kalkaji, New Delhi-110019 (India) Ph.: (011) 40543700
E-mail: kawal.jain@guptavigg.com/ Website: www.guptavigg.com

To
The Board of Directors of
NDR Auto Components Limited

Report on the audit of Special Purpose Consolidated Ind AS Financial Statements

1. This report is issued in accordance with the terms of our engagement letter dated February 28, 2020.

2. Pursuant to the Scheme of Arrangement (Scheme) among Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors, for demerger and transfer of the "Automobile Seating Undertaking" of Sharda Motor Industries Limited (Demerged Company) into NDR Auto Components Limited (Resulting Company) under sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013, as approved by the Hon'ble Bench of NCLT, New Delhi on February 20, 2020 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, the consolidated financial statements of the Resulting Company to be included in the Advertisement, to be released prior to the listing of equity shares of Resulting Company and the Information Memorandum to be submitted with the Stock Exchanges, should not be for a date earlier than six months prior to the date of listing of the Resulting Company. Accordingly the Resulting Company has approached us to do the Audit of the financials of the Resulting Company as on December 31, 2019 (with Appointed Date being December 31, 2018) after giving effect to the Scheme approved by the Hon'ble New Delhi Bench of NCLT.

3. We have audited the accompanying special purpose consolidated Ind AS financial statements of NDR Auto Components Limited ("the Company"), which comprise the Consolidated Balance Sheet as at December 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the period ended on that date, and notes to the consolidated financial statements,including a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Special Purpose Consolidated Ind AS Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these special purpose consolidated Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 of 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 relevant to the preparation and presentation of the special purpose consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

5. Our responsibility is to express an opinion on these special purpose consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose consolidated Ind AS financial statements are free misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. Based on our audit, we report that:

   a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

   b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   c) In our opinion and to the best of our information and according to the explanations given to us, the special purpose consolidated Ind AS financial statements, together with the notes thereon and attached thereto, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India:

i. in the case of the Consolidated Balance Sheet, the state of affairs as at December 31, 2019;

ii. in the case of the Consolidated Statement of Profit and Loss (including other comprehensive income), the profit for the period ended on that date;

iii. in the case of the Consolidated Cash flow statement, of the cash flows for the period ended on that date; and

iv. in the case of Consolidated Statement of Changes in equity, changes in equity for the period ended on that date.

Emphasis of Matter

9. We draw attention to Note 1 and Note 2 to the special purpose consolidated Ind AS financial statements which describes the basis for preparation of the special purpose consolidated Ind AS financial statements consequent to the acquisition of "Automobile Seating Undertaking" of Sharda Motor Industries Limited (`Demerged Unit') by the Company, pursuant to a Scheme of Arrangement approved by the National Company Law Tribunal, New Delhi Bench (`NCLT') vide its order dated February 20, 2020 (the Scheme'), which has been effected on March 16, 2020, with the appointed date of December 31, 2018 as compared to acquisition date as per applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with relevant rules issued thereunder.

Other Matters

10. The special purpose consolidated Ind AS financial statements includes the Company's share of net profit after tax of Rs.441.02 lakhs and total comprehensive income of Rs.445.08 lakhs for the period from April 1, 2019 to December 31, 2019 as considered in the consolidated Ind AS financial statements in respect of one associate company and two joint ventures based on their interim financial statements/financial information/financial results which have not been audited by us or their auditors. These financial statements/financial information/financial results are unaudited and have been furnished to us by the management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these associate company and two joint ventures is based solely on such unaudited financial statements/financial information/financial results.

Our opinion on the special purpose consolidated Ind AS financial statements is not modified in respect of the above matter.

The special purpose consolidated Ind AS financial statements include the results of the following entities:

S. No.	Name of the Entity	Relationship
1	Bharat Seats Limited	Associate Company
2	Toyota Boshoku Relan India Private Limited	Joint Venture
3	Toyo Sharda India Private Limited	Joint Venture

Restriction on Use

11. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.

12. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 2 above. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Gupta Vigg & Co. neither accepts nor assumes any duty, responsibility or liability to any other party or for any other purpose.

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number: 001393N

DEEPAK POKHRIYAL
Digitally signed by DEEPAK POKHRIYAL
Date: 2020.05.22 22:46:44 +05'30'

CA. Deepak Pokhriyal
Partner
Membership Number: 524778
ICAI UDIN: 20524778AAAAAU4932

Place of Signature: Delhi
Date: 22.05.2020

NDR Auto Components Limited

Consolidated Balance Sheet as at December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

Particulars	Note No	As At December 31, 2019	As At March 31, 2019
I. Assets			
Non-current assets			
(a) Property, plant and equipment	4	3,436.90	3,836.13
(b) Capital work in progress	5	6.84	6.50
(c) Right to use assets	6	47.20	-
(d) Intangible assets	7	0.55	6.63
(e) Financial assets			
(i) Investments	8	3,863.98	3,529.16
(ii) Other financial assets	9	50.03	49.24
(f) Non-current tax asset (net)	10	11.58	1.65
(g) Other non-current assets	11	-	0.69
(h) Deferred tax assets (net)	31	111.74	115.05
Total non-current assets		**7,528.82**	**7,545.05**
Current assets			
(a) Inventories	12	556.69	580.33
(b) Financial assets			
(i) Trade receivables	13	642.09	933.18
(ii) Cash and cash equivalents	14	218.70	5,302.58
(iii) Bank balances other than (ii) above	15	9,020.00	4,000.00
(iv) Other financial assets	9	609.40	579.36
(c) Other current assets	11	137.61	29.25
(d) Asset held for sale		0.08	0.08
Total current assets		**11,184.57**	**11,424.78**
Total assets		**18,713.39**	**18,969.83**
II. Equity And Liabilities			
Equity			
(a) Share suspense	16	594.63	594.63
(b) Other equity	17	16,379.65	15,922.78
Total equity		**16,974.28**	**16,517.41**
Liabilities			
Non- current liabilities			
(a) Financial liabilities			
- Lease liabilities	18	2.66	-
(b) Provisions	19	10.16	11.08
(c) Other non-current liabilities	20	181.56	185.59
Total non- current liabilities		**194.38**	**196.67**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	21		
- Total outstanding dues to micro and small enterprises		19.26	181.88
- Total outstanding dues to parties other than micro and small enterprises		1,386.32	1,983.87
(ii) Other financial liabilities			
- Lease liabilities	18	46.02	-
(b) Other current liabilities	20	89.11	85.55
(c) Provisions	19	4.02	4.45
Total current liabilities		**1,544.73**	**2,255.75**
Total liabilities		**1,739.11**	**2,452.42**
Total equity and liabilities		**18,713.39**	**18,969.83**
Summary of Significant Accounting Policies	3		

The accompanying notes form an integral part of these consolidated financial statements

As per our Report of even date attached

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number 001393N

DEEPAK POKHRIYAL
Digitally signed by DEEPAK POKHRIYAL
Date: 2020.05.22 23:51:50 +05'30'

(CA. Deepak Pokhriyal)
Partner
Membership Number 524778
ICAI UDIN : 20524778AAAAAU4932

For & on behalf of Board of Directors of
NDR Auto Components Limited

DHARAM ASREY AGGARWAL
Digitally signed by DHARAM ASREY AGGARWAL
Date: 2020.05.22 23:22:45 +05'30'

(Dharam Asrey Aggarwal)
Director
DIN 07720007

AJAY RELAN
Digitally signed by AJAY RELAN
Date: 2020.05.22 23:23:07 +05'30'

(Ajay Relan)
Director
DIN 00257584

ASHUTOSH VEDI
Digitally signed by ASHUTOSH VEDI
Date: 2020.05.22 23:10:30 +05'30'

(Ashutosh Vedi)
Company Secretary
Membership Number A60721

Place of Signature: Delhi
Date: 22.05.2020

NDR Auto Components Limited

Consolidated Statement of profit and loss for the period from April 01, 2019 to December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

Particulars	Note No.	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
I Revenue from operations	22	5,293.23	2,763.80
II Other income	23	550.72	62.22
III Total income (I+II)		**5,843.95**	**2,826.02**
IV Expenses			
(a) Cost of materials consumed	24	3,855.51	2,037.71
(b) Changes in inventories of finished goods, work-in-progress and stock in trade	25	8.25	149.27
(c) Employee benefits expense	26	342.58	103.72
(d) Finance costs	27	4.14	0.61
(e) Depreciation and amortization expense	28	428.46	162.76
(f) Other expenses	29	1,169.48	444.62
Total expenses		**5,808.42**	**2,898.69**
V Profit/(Loss) before exceptional items and tax (III-IV)		**35.53**	**(72.67)**
VI Exceptional Items		-	-
VII Profit/(Loss) before tax (V-VI)		**35.53**	**(72.67)**
VIII Tax expense:			
(a) Current tax	30	39.50	-
(b) Deferred tax	30	(1.49)	(112.75)
Total tax expense		**38.01**	**(112.75)**
IX Profit / (loss) for the period (VII-VIII)		**(2.48)**	**40.08**
X Share of profit/(loss) of associates (net of tax)		376.62	136.17
XI Share of profit/(loss) of joint ventures (net of tax)		64.40	28.54
XII Profit/(Loss) for the period (IX+X+XI)		**438.54**	**204.79**
XIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gains/ (losses) on defined benefit plans		24.50	4.71
- Income tax on items that will not be reclassified to profit or loss		(6.17)	(2.43)
Total other comprehensive income for the period, net of tax		**18.33**	**2.28**
XIV Total comprehensive income for the period, net of tax (XII+XIII)		**456.87**	**207.07**
XV Earnings per share: (Face value ₹ 10 per share)	32		
1) Basic (amount in ₹)		7.37	3.44
2) Diluted (amount in ₹)		7.37	3.44
Summary of Significant Accounting Policies	3		

The accompanying notes form an integral part of these consolidated financial statements

As per our Report of even date attached

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number 001393N

DEEPAK POKHRIYAL — Digitally signed by DEEPAK POKHRIYAL Date: 2020.05.22 23:53:54 +05'30'

(CA. Deepak Pokhriyal)
Partner
Membership Number 524778
ICAI UDIN : 20524778AAAAAU4932

For & on behalf of Board of Directors of
NDR Auto Components Limited

DHARAM ASREY AGGARWAL — Digitally signed by DHARAM ASREY AGGARWAL Date: 2020.05.22 23:23:40 +05'30'

(Dharam Asrey Aggarwal)
Director
DIN 07720007

AJAY RELAN — Digitally signed by AJAY RELAN Date: 2020.05.22 23:23:57 +05'30'

(Ajay Relan)
Director
DIN 00257584

ASHUTOSH VEDI — Digitally signed by ASHUTOSH VEDI Date: 2020.05.22 23:10:57 +05'30'

(Ashutosh Vedi)
Company Secretary
Membership Number A60721

Place of Signature: Delhi
Date: 22.05.2020

NDR Auto Components Limited

Consolidated Statement of profit and loss for the period from April 01, 2019 to December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

	Particulars	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
A	**Cash Flow From Operating Activities**		
	Profit / (loss) before tax	35.53	(72.67)
	Adjustments for:		
	Depreciation and amortization	428.46	162.76
	Finance cost	4.14	0.61
	Interest income	(494.81)	(16.77)
	Loss / (Gain) on sale of property, plant and equipment (net)	4.77	(2.27)
	Sundry balances written back	(51.79)	(43.18)
	Excess Provisions written back	(3.10)	-
	Operating profit / (loss) before adjustments	**(76.80)**	**28.48**
	Adjustments for:		
	Decrease/(increase) in inventories	23.64	365.16
	Decrease/(increase) in trade receivables	291.09	805.94
	Decrease/(increase) in other financial assets	287.48	(556.60)
	Decrease/(increase) in other assets	(68.18)	(19.61)
	Increase/(decrease) in trade payables	(705.27)	134.54
	Increase/(decrease) in other liabilities	(0.49)	(158.41)
	Increase/(decrease) in provisions	(21.77)	(37.16)
	Cash generated /(used in) from operating activities	**(270.30)**	**562.33**
	Taxes (paid) / refund	(49.42)	(1.65)
	Net cash from operating activities - (A)	**(319.72)**	**560.68**
B	**Cash Flow From Investing Activities**		
	Acquisition of property, plant and equipment including capital work-in-progress	(6.69)	(10.68)
	Proceeds from sale of property, plant and equipment	12.03	3.70
	Proceeds from Investments & Fixed deposits	110.25	3,498.92
	Investments in Fixed deposits	(5,020.00)	-
	Interest received	176.50	3.46
	Net cash used in investing activities - (B)	**(4,727.91)**	**3,495.40**
C	**Cash Flow From Financing Activities**		
	Issue of equity shares	-	1.00
	Cash payments for the principal portion of the lease liability	(32.11)	-
	Cash payments for the Interest portion of the lease liability	(3.95)	-
	Other Finance cost paid	(0.19)	(0.61)
	Net cash from financing activities - (C)	**(36.25)**	**0.39**
	Net increase / (decrease) in cash and cash equivalents - (A+B+C)	**(5,083.88)**	**4,056.47**
	Cash and cash equivalents acquired pursuant to scheme of arrangements - opening balance (refer note no. 37)	5,302.58	1,246.11
	Cash and cash equivalents at the end of the period [refer note 14]	**218.70**	**5,302.58**

Notes:

i) The above cash flow statement has been prepared under the indirect method as set out in the Ind AS-7-"Statement of cash flow".
ii) Cash and cash equivalents consist of balances with scheduled banks in current accounts (refer note 14).
iii) For components of cash and cash equivalents refer note no.14
iv) For the period ended March 31, 2019, movement in cash flow statement is calculated through the closing balances as at March 31, 2019 and the opening figures referred in note no. 37 of the Consolidated Financial Statements.
v) Sharda Motor Industries Limited was holding the beneficial ownership of the entire paid up equity shares issued by the company on its incorporation. However the same stands cancelled pursuant to scheme of arrangements (refer note no 37)

As per our Report of even date attached

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number 001393N

DEEPAK POKHRIYAL Digitally signed by DEEPAK POKHRIYAL Date: 2020.05.22 23:56:01 +05'30'

(CA. Deepak Pokhriyal)
Partner
Membership No. 524778
ICAI UDIN : 20524778AAAAAU4932

For and on behalf of the Board of Directors of
NDR Auto Components Limited

DHARAM ASREY AGGARWAL Digitally signed by DHARAM ASREY AGGARWAL Date: 2020.05.22 23:24:20 +05'30'

(Dharam Asrey Aggarwal)
Director
DIN 07720007

AJAY RELAN Digitally signed by AJAY RELAN Date: 2020.05.22 23:24:43 +05'30'

(Ajay Relan)
Director
DIN 00257584

ASHUTOSH VEDI Digitally signed by ASHUTOSH VEDI Date: 2020.05.22 23:11:21 +05'30'

(Ashutosh Vedi)
Company Secretary
Membership Number A60721

Place of Signature: Delhi
Date: 22.05.2020

NDR Auto Components Limited

Consolidated Statement of Changes in Equity for the period from April 01, 2019 to December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

A. Equity Share Capital

10,000 equity shares of ₹ 10 each	Amount
Opening balance	-
Changes during the period	1.00
Reduction in share capital pursuant to scheme of arrangements (refer note no. 37)	(1.00)
Balance as at March 31, 2019	-
Changes during the period	-
Balance as at December 31, 2019	-

B. Share Suspense Account

59,46,326 equity shares of ₹ 10 each	Amount
Opening balance	-
Changes during the period	594.63
Balance as at March 31, 2019	**594.63**
Changes during the period	-
Balance as at December 31, 2019	**594.63**

C. Other Equity

	Reserve & Surplus		
	Capital Reserve	**Retained earnings**	**Total**
Opening Balance	**-**	**-**	**-**
Balance acquired pursuant to scheme of arrangements *	12,524.58	-	**12,524.58**
Balance acquired pursuant to scheme of arrangements on account of consolidation	3,190.13	-	**3,190.13**
Profit/(loss) for the period	-	207.07	**207.07**
Reduction in share capital pursuant to scheme of arrangements *	1.00	-	**1.00**
Balance as at March 31, 2019	**15,715.71**	**207.07**	**15,922.78**
Profit/(loss) for the period	-	456.87	456.87
Balance as at December 31, 2019	**15,715.71**	**663.94**	**16,379.65**

* Refer to Note No. 37

Summary of Significant Accounting Policies 3

The accompanying notes form an integral part of these consolidated financial statements

As per our Report of even date attached

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number 001393N

DEEPAK POKHRIYAL
Digitally signed by DEEPAK POKHRIYAL
Date: 2020.05.22 23:58:14 +05'30'

(CA. Deepak Pokhriyal)
Partner
Membership Number 524778
ICAI UDIN : 20524778AAAAAU4932

For & on behalf of Board of Directors of
NDR Auto Components Limited

DHARAM ASREY AGGARWAL
Digitally signed by DHARAM ASREY AGGARWAL
Date: 2020.05.22 23:25:10 +05'30'

(Dharam Asrey Aggarwal)
Director
DIN 07720007

AJAY RELAN
Digitally signed by AJAY RELAN
Date: 2020.05.22 23:25:29 +05'30'

(Ajay Relan)
Director
DIN 00257584

ASHUTOSH VEDI
Digitally signed by ASHUTOSH VEDI
Date: 2020.05.22 23:11:48 +05'30'

(Ashutosh Vedi)
Company Secretary
Membership Number A60721

Place of Signature: Delhi
Date: 22.05.2020

Note 1: Corporate Information

NDR Auto Components Limited ("the Company") is primarily engaged in the manufacturing, fabricating and assembling of every kind of automotive components including seats, spare parts and components for the seats and to deal in each and every kind of activity associated with the manufacture and trading of any kind of components, whether directly or indirectly or whether in India or abroad.

During the period ended March 31, 2019, a scheme of de-merger between the Automobile Seating Undertaking (i.e. 4 units) of Sharda Motor Industries Limited ("Transferor Company") demerged in to the Company ("Transferee Company") was filed before the National Company Law Tribunal, New Delhi ("the Scheme") and the approval on the same was pronounced vide order dated February 20, 2020. The de-merger was effectuated for F.Y. 2018-19 in the effect of provisions contained in Para 9(iii) of Appendix C of Ind AS 103. Wherever applicable, the consolidated financial statements for the period ended December 31, 2019 represents the merged financials of the Automobile Seating Undertaking (i.e. 4 units) of transferor and the transferee Company.

The consolidated financial statements comprise financial statements of the Company and includes share of profit of two of its joint venture and one associate company for the period April 01, 2019 to December 31, 2019

Note 2: Basis of preparation of Consolidated Financial statements

2.1 Statement of Compliance:

The consolidated financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.
The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.
The consolidated financial statements were authorized for issue by the Company's Board of Directors on 22nd May 2020.

2.2 Basis of preparation and presentation:

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities (including derivative instruments) and net defined benefits (assets)/liability which are measured at fair value and fair value of the plan assets less present value of defined benefits obligations respectively at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below.

2.3 Basis of Consolidation and Equity Accounting:

i) Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see note (iii) below), after initially being recognised at cost.

ii) Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method of accounting (see note(iii) below), after initially being recognised at cost in the consolidated balance sheet.

iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment.

iv) The consolidated fianancial statements are prepared using uniform accounting policies for like transactions and other events in similar transactions.

2.4 Going concern:

The board of directors have considered the financial position of the Company at December, 31 2019 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course. The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.5 Use of estimates and judgements:

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements:

- useful life of Property, plant and equipment
- useful life of Intangible assets
- provisions and contingent liabilities
- income taxes
- lease classification and judgement regarding whether an arrangement contain a lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ending December 31, 2019:

- measurement of defined benefit obligations: key actuarial assumptions
- recognition and measurement of provision for warranties, provision for litigations and contingent liabilities: key assumptions about the likelihood and magnitude of an outflow of resources

- the liability for site restoration is measured on the basis of present estimated cost to decommission the asset, current inflation rate and discount rate.

2.6 Measurement of fair values:

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. The directors are responsible for overseeing all significant fair value measurements, including Level 3 fair values. Directors regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

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2.7 Operating cycle:

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Note 3: Summary of Significant accounting policies

3.1 Revenue recognition and presentation:

The Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers'.

Revenue from sale of products is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in a contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the Government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts.

To determine whether to recognise revenue, the Company follows a 5-step process:
1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Use of significant Judgements in Revenue Recognition

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts, price concessions, incentives etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The Company assesses its revenue arrangements against specific recognition criterias like exposure to the significant risks and rewards associated with the sale of goods. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its customers are reviewed to determine each party's respective role in the transaction.

Other Operating Revenue

Dividend income is recognized when the right to receive payment is established.
Interest income is recognized on a time proportion basis taking into account the amount oustanding and the interest rate applicable.

Claims receivables on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.2 Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgments 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

3.3 Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing 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 the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Recognition of interest expense:

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments throughout the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

3.5 Property, Plant and Equipment (PPE):

Items of PPE are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, if any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress includes cost of property, plant and equipment (including related expenditure) under installation/under development as at the balance sheet date.

An items of property, plant and equipment is derecognised upon disposal or when no future economic benifits are expected to arise from continous use of assets. Any gain or loss on disposal or retirement of an item of property, plant and equipment determined as the difference between the sale proceeds and the carrying amount of assets are recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation: Depreciation is provided using the written down value based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 and after retaining the residual value of 5% of the original cost of the asset in the said Schedule except in respect of the following cases, where useful life of assets is different than those prescribed in Schedule II .

Asset	Estimated Useful Life (Years)	Useful Life as per Companies Act, 2013
Plant & Machinery	20	15
Electrical Fittings	15	10
Tools & Dies	10	Not Specified

The residual value and useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Assets purchased during the period costing ₹ 5,000 or less are depreciated at the rate of 100%

3.6 Intangible assets:

Intangible assets comprise of computer software (which does not form an integral part of related hardware). Computer software which is acquired separately, is recognized initially at cost. Following initial recognition principle, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets under development include cost of assets under installation/under development as at the balance sheet date.

Subsequent costs are included in the assets' 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 entity and the cost can be measured reliably.

Amortisation method and useful lives: Intangible assets are amortized on a straight line basis over the estimated life of three years.

3.7 Borrowing costs:

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

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

3.8 Foreign currencies:

Functional and presentational currency

The Company's consolidated financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ lakhs except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate prevailing on the date when the transaction first qualifies for recognition. Exchange differences arising on foreign currency transactions settled during the period are recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences on restatement/settlement of all monetary items are recognised in profit or loss.

3.9 Inventories:

Raw material, Consumable Stores and spare parts are valued at lower of cost or net realizable value. Cost includes purchase price (excluding taxes which are subsequently recoverable by the enterprise from the Concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, FIFO method is used.

Work in progress, manufactured finished goods and traded goods are valued at lower of cost or net realizable value. The comparison of cost and net realizable value is made on an item by item basis. Cost of work in progress and manufactured finished goods is determined on FIFO basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Stock in Transit is valued at lower of cost or net realizable value. Scrap is valued at estimated net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

3.10 Leases:

Determining whether arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Company's lease asset classes primarily consist of leases for land and buildings.The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated.

Assets held under lease

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Lease payments

Lease payments included in the measurement of the lease liability comprise the following:
-Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.
The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Land under perpetual lease for is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

3.11 Employee Benefits:

Short Term Employee Benefits

All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Post-Employment Benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

Retirement benefits in the form of Provident Fund and employee state insurance are a defined contribution scheme and contributions paid/payable towards these funds are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plan

The Company has Defined benefits plans namely Gratuity for employees. The gratuity fund are recognised by the income tax authorities and are administered through Company's trusts where a policy with 'Life Insurance Corporation of India' has been taken to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the period end and the balance of funds with Life Insurance Corporation of India is provided for as liability in the books.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other Long Term Employee Benefits

Liabilities for leave encashment / compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

3.12 Provisions, Contingent liabilities and contingent assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Litigations: Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

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 with in 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.

Contingent assets are disclosed when there is a possible asset that 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 with in the control of the Company.

3.13 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. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial asset and financial liabilities are initially measured at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(a) Financial Assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirely at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
• those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

• Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.

• Cash flow characteristic test : the contractual term 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

• Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

• Cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Investments in equity instrument at fair value through other comprehensive income (FVTOCI)
On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Company has an equity investment in an entity which is not held for trading. The Company has elected to measure this investment at amortised cost. Dividend, if any, on this investments is recognised in profit or loss.

Equity investment in associates and joint ventures

Investments representing equity interest in associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Trade receivables

Impairment of financial assets
The Company assesses impairment based on expected credit losses (ECL) model to the following :
• financial assets measured at amortised cost
• financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:
• the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

• full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

A financial asset is derecognised only when
• The Company has transferred the rights to receive cash flows from the financial asset or
• Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship.

Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

(b) Financial liabilities and equity instruments

Classification of debt or equity
Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

Trade and other payables
Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings
Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Foreign exchange gains or losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3.14 Taxes:
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax
Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognises 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 period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement “. The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

In accordance with Ind AS 12 Company is grouping MAT credit entitlement with Deferred Tax Assets / Liability (Net).

3.15 Operating segment:
An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components, and for which discrete financial information is available. All operating segments’ operating results are reviewed regularly by the Company’s CODM to make decisions about resources to be allocated to the segments and assess their performance.

The operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the Company’s CODM.

3.16 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments 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, and bank overdrafts.

3.17 Assets Held for Sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded
within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

3.18 Earnings per share (EPS):

Basic earnings per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period end, except where the results would be anti-dilutive.

3.19 Application of New Accounting Pronouncements

The following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules 2019, were applied by the Company during the period.

- Ind AS 116, Leases with effect from April 01, 2019.

-Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has applied Ind AS 116 using the modified retrospective approach, to recognise a right-of-use asset at the date of initial application to an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application, the comparative information has not been restated.

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NDR Auto Components Limited

Notes to the consolidated financial statements for the period from April 01, 2019 to December 31, 2019

(Currency : ₹ in Lakhs except otherwise specified)

Note 4 : Property, Plant and Equipment

Particulars	Freehold land	Plant & Machinery	Building	Office Equipment	Computers	Furniture and Fixtures	Electric Fittings	Vehicles	Total
Gross Carrying Amount									
(At deemed cost)									
Opening Balance	-	-	-	-	-	-	-	-	-
Balance acquired pursuant to scheme of arrangements (Refer note No-37)	752.84	1,652.04	1,235.88	62.80	3.89	23.80	243.87	13.15	3,988.27
Add: Additions made during the period	-	9.25	-	0.02	1.41	-	-	-	10.68
Less: Disposals / adjustments during the period	-	1.07	-	-	-	0.01	-	1.00	2.07
As at March 31, 2019	**752.84**	**1,660.23**	**1,235.88**	**62.82**	**5.30**	**23.79**	**243.87**	**12.15**	**3,996.88**
Add: Additions made during the period	-	4.25	-	1.40	0.70	-	-	-	6.35
Less: Disposals / adjustments during the period	-	22.62	-	2.22	0.42	-	-	0.83	26.09
As at December 31, 2019	**752.84**	**1,641.86**	**1,235.88**	**62.00**	**5.58**	**23.79**	**243.87**	**11.32**	**3,977.15**
Depreciation and impairment									
Opening Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Add: Depreciation charge for the period	-	110.11	31.27	3.62	0.70	1.77	12.77	1.13	**161.37**
Less: On disposals / adjustments during the period	-	0.62	-	-	-	-	-	-	**0.62**
As at March 31, 2019	**-**	**109.49**	**31.27**	**3.62**	**0.70**	**1.77**	**12.77**	**1.13**	**160.75**
Add: Depreciation charge for the period	-	258.54	86.21	7.60	1.44	4.07	31.59	2.38	**391.83**
Less: On disposals / adjustments during the period	-	9.78	-	1.75	0.36	-	-	0.45	**12.34**
As at December 31, 2019	**-**	**358.25**	**117.48**	**9.47**	**1.78**	**5.84**	**44.36**	**3.06**	**540.24**
Net carrying amount									
As at December 31, 2019	**752.84**	**1,283.61**	**1,118.40**	**52.53**	**3.80**	**17.95**	**199.51**	**8.26**	**3,436.90**
As at March 31, 2019	**752.84**	**1,550.74**	**1,204.61**	**59.20**	**4.60**	**22.02**	**231.10**	**11.02**	**3,836.13**

Note 5 : Capital work In progress	Capital work In progress
Plant & Machinery	
Opening Balance	**-**
Balance acquired pursuant to scheme of arrangements (refer note no.37)	6.50
Add : Movement during the period	-
As at March 31, 2019	**6.50**
Add : Movement during the period	0.34
As at December 31, 2019	**6.84**
Net carrying amount	
As at December 31, 2019	**6.84**
As at March 31, 2019	**6.50**

Note 6 : Right to use assets

Particulars	Right to use assets
Gross Carrying Amount	
(At deemed cost)	
As at March 31, 2019	**-**
Add: Additions made during the period	80.79
As at December 31, 2019	**80.79**
Depreciation and impairment	
As at March 31, 2019	
Add: Depreciation charge for the period	33.59
As at December 31, 2019	**33.59**
Net carrying amount	
As at December 31, 2019	**47.20**
As at March 31, 2019	**-**

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Note 7 : Intangible assets

Gross Carrying Amount	**Computer Software**	**Total**
(At deemed cost)		
Opening Balance	**-**	**-**
Balance acquired pursuant to scheme of arrangements (refer note no 37)	8.02	8.02
Add: Additions made during the period	-	-
Less: Disposals / adjustments during the period	-	-
As at March 31, 2019	**8.02**	**8.02**
Add: Additions made during the period	-	-
Less: Disposals / adjustments during the period	3.04	3.04
As at December 31, 2019	**4.98**	**4.98**
Amortisation and impairment		
Opening Balance	**-**	**-**
Add: Amortisation for the period	1.39	1.39
Less: On disposals / adjustments during the period	-	-
As at March 31, 2019	**1.39**	**1.39**
Add: Amortisation for the period	3.04	3.04
Less: On disposals / adjustments during the period	-	-
As at December 31, 2019	**4.43**	**4.43**
Net carrying amount		
As at December 31, 2019	**0.55**	**0.55**
As at March 31, 2019	**6.63**	**6.63**

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Note 8 : Investments		As At December 31, 2019	As At March 31, 2019
Non-Current			
Investments measured at cost			
In equity shares of Associate			
Quoted, fully paid up			
9,000,000 (March 31, 2019: 9,000,000) Equity Shares (including 4,500,000 (March 31, 2019: 4,500,000) bonus shares) of ₹ 2/- each of Bharat Seats Ltd		3,422.90	3,132.22
	(A)	**3,422.90**	**3,132.22**
In equity shares of Joint Ventures			
Unquoted, fully paid up			
5,000 (March 31, 2019: 5,000) Equity shares of ₹ 10 each of Toyota Boshoku Relan India Pvt. Ltd.		-	0.36
750,000 (March 31, 2019: 750,000) Equity shares of ₹ 10 each of Toyo Sharda India Pvt. Ltd.		441.08	396.57
	(B)	**441.08**	**396.94**
	(A+B)	**3,863.98**	**3,529.16**

Information about Associate & Joint Ventures

Name of the Company, Country of Incorporation, Principal Activities	Proportion (%) of equity interest	
	As At December 31, 2019	As At March 31, 2019
Associate		
Bharat Seats Ltd, India, Manufacturing of Seating System	28.66%	28.66%
Joint Ventures		
Toyota Boshoku Relan India Pvt. Ltd., India, Manufacturing of Seating System	50.00%	50.00%
Toyo Sharda India Pvt. Ltd., India, Manufacturing of Seating System	50.00%	50.00%

Note 9 : Other financial assets (Unsecured and considered good, unless otherwise stated)	As At December 31, 2019	As At March 31, 2019
Non- current		
Security Deposits (Refer to note 'a' below)	50.03	49.24
Total (A)	**50.03**	**49.24**
Current		
Staff Advance	2.26	0.05
Interest accrued on fixed deposits	331.62	13.31
Receivable from related parties (Refer to note 'b' below)	275.52	566.00
Total (B)	**609.40**	**579.36**
Total (A+B)	**659.43**	**628.60**

Notes:

a) Security deposits are not in the nature of loans hence classified as part of other financial assets.

b) For detailed related party disclosure, refer to Note No. 34

Note 10 : Non-current tax asset	As At December 31, 2019	As At March 31, 2019
Advance Income Tax (Net of provision income tax of ₹ 39.50 (March 31, 2019 : ₹ NIL)	11.58	1.65
	11.58	**1.65**

Note 11 : Other assets (Unsecured and considered good, unless otherwise stated)	As At December 31, 2019	As At March 31, 2019
Non- Current		
Prepaid Expenses	-	0.69
Total (A)	**-**	**0.69**
Current		
Balance with Government Authorities	41.56	5.43
Advances to Suppliers	76.96	15.07
Gratuity recoverable (refer note no. 33)	15.95	1.77
Prepaid Expenses	1.15	6.57
Other Receivable	1.99	0.41
Total	**137.61**	**29.25**

Note 12: Inventories (Lower of cost or net realizable value)	As At December 31, 2019	As At March 31, 2019
Raw Materials	351.34	410.38
Raw Materials - In Transit	-	0.02
Work In Progress	117.15	125.40
Consumable Stores and Spares	88.20	44.53
	556.69	**580.33**

Note 13 : Trade receivables	As At December 31, 2019	As At March 31, 2019
Unsecured, Considered Good	642.09	933.18
Add : Unsecured, Considered credit impaired	-	-
	642.09	933.18
Less: Impairment Allowance	-	-
	642.09	**933.18**

Notes:

i).Trade receivables are non-interest bearing and are generally on terms of not more than 60 days.

ii).Trade receivables includes balance from related party of ₹ 632.18 lakh (March 31,2019 ₹ 930.69).

iii).The Company's exposure to credit and currency risk related to trade receivables are disclosed in Note 36.

Note 14 : Cash and cash equivalents	As At December 31, 2019	As At March 31, 2019
Balances with banks:		
- on current account	218.18	5,302.58
Cash on hand:		
- Domestic Currency	0.52	-
	218.70	**5,302.58**

Note 15 : Bank balances other than cash and cash equivalents	As At December 31, 2019	As At March 31, 2019
Deposits with original maturity of more than 3 months but less than 12 months	9,020.00	4,000.00
	9,020.00	**4,000.00**

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Note 16 : Equity Share Capital	**As At December 31, 2019**	**As At March 31, 2019**
Authorised Share Capital		
10,000 (March 31, 2019: 10,000) equity shares of ₹ 10 each	**1.00**	**1.00**

A. Issued & Subscribed Equity Share Capital	**As At December 31, 2019**	**As At March 31, 2019**
10,000 equity shares of ₹ 10 each, Issued, Subscribed & fully paid up		
Opening Balance	**-**	**-**
Changes during the period	-	1.00
Reduction in share capital pursuant to scheme of arrangements *	-	(1.00)
Closing Balance	-	-

* Refer to note no 37

B. Share Suspense account	**As At December 31, 2019**	**As At March 31, 2019**
5,946,326 (March 31, 2019: 5,946,326) equity shares of ₹ 10 each		
Opening Balance	594.63	-
Changes during the period	-	594.63
Closing Balance	**594.63**	**594.63**

C. Shares held by holding / ultimate holding company and / or their subsidiaries / associate

Out of equity shares issued by the company, shares held by its holding company is as below :

	As At December 31, 2019	**As At March 31, 2019**
Sharda Motor Industries Limited #		
NIL equity shares of ₹ 10 each fully paid	-	-
	-	**-**

* The above mentioned share capital was cancelled upon issue of share capital pursuant to scheme of arrangements

D. Details of shareholders holding more than 5% shares in the Company

	As at December 31, 2019		**As at March 31, 2019**	
Name of Party	**No. of shares**	**Holding %**	**No. of shares**	**Holding %**
Equity shares of ₹ 10 each, Issued, Subscribed & fully paid up				
Sharda Motor Industries Limited #	-	-	-	-

Sharda Motor Industries Limited was holding the benificial ownership of the entire paid up equity shares issued by the company on its incorporation. However the same stands cancelled pursuant to scheme of arrangements

E. Reconciliation of share capital:

i. Reconciliation of issued & eubscribed equity share capital

	No. of shares*	**Amount**
Opening balance	-	-
Changes during the period	10,000	1.00
Reduction in share capital pursuant to scheme of arrangements *	(10,000)	(1.00)
Balance as at March 31, 2019	**-**	**-**
Changes during the period	-	-
Balance as at December 31, 2019	**-**	**-**

* Refer to note no 37

ii. Reconciliation of Share suspense account

	No. of shares*	**Amount**
Opening balance	-	-
Changes during the period	59,46,326	594.63
Balance as at March 31, 2019	**59,46,326**	**594.63**
Changes during the period	-	-
Balance as at December 31, 2019	**59,46,326**	**594.63**

F. Terms/ rights attached to equity shares:

(i) The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

*Note: Number of Shares are given in absolute numbers.

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Note 17 : Other Equity	**Amount**
a) Capital Reserve	
Opening Balance	**-**
Add : Balance acquired pursuant to scheme of arrangements (Refer note (i) below)	12,524.58
Add : Balance acquired pursuant to scheme of arrangements on account of consolidation (Refer note (ii) below)	3,190.13
Add : Movement during the period (Refer note (iii) below)	1.00
Balance as at March 31, 2019	**15,715.71**
Movement during the period	-
Balance as at December 31, 2019	**15,715.71**

(i). Pursuant to the NCLT order and as per the scheme of arrangements, Company has recorded assets of ₹15,666.98 Lakh and liabilities of ₹2,547.79 Lakh of Automobile Seating Undertaking at their book values and will issue share capital of ₹ 594.63 Lakh against such assets and liabilities acquired. Difference of net assets acquired and issued share capital is recognized as Capital Reserve.

(ii). Pursuant to arrangement, the investment balances of associate and joint ventures are re-instated from standalone balance sheet to consolidated balance sheet and accordingly balances reinstated from the date of acquisition to the date of arrangement.

(iii). Pursuant to the NCLT order and as per the scheme of arrangements, Capital Reserve of ₹ 1 lakh is created by debiting Company's Equity Share Capital Account with a corresponding credit to Capital Reserve in respect of cancellation of shares held by Sharda Motor Industries Limited.

b) Retained Earnings	
Opening Balance	**-**
Add : Profit/(loss) for the period	207.07
Balance as at March 31, 2019	**207.07**
Add:- Profit/(loss) for the period	456.87
Balance as at December 31, 2019	**663.94**

Notes:

1. Retained Earnings: Retained earnings represents profit/(losses) that the Company has earned or incurred till date.

2. Capital Reserve: Capital Reserve is created on account of balancing figures of assets and liabilities acquired, cancellation of issued and subscribed share capital and issuance of new shares of the Company pursuant to the scheme of arrengement.

Total Other Equity:	
As at March 31, 2019	**15,922.78**
a) Capital Reserve	15,715.71
b) Retained Earnings	207.07
As at December 31, 2019	**16,379.65**
a) Capital Reserve	15,715.71
b) Retained Earnings	663.94

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Note 18 : Other Financial Liabilities	As At December 31, 2019	As At March 31, 2019
Non Current		
Lease liabilities	2.66	-
Total (A)	**2.66**	**-**
Current		
Lease liabilities	46.02	-
Total (B)	**46.02**	**-**
Total (A+B)	**48.68**	**-**

Note 19 : Provisions	As At December 31, 2019	As At March 31, 2019
Non- current		
Provision for employee benefits		
Provision for Compensated Absences (refer note 33)	10.16	11.08
Total (A)	**10.16**	**11.08**
Current		
Provision for employee benefits		
Provision for Compensated Absences (refer note 33)	4.02	4.45
Total (B)	**4.02**	**4.45**
Total (A+B)	**14.18**	**15.53**

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(Currency : ₹ in Lakhs except otherwise specified)

Note 19.1 Contingent Liabilities	**As At December 31, 2019**	**As At March 31, 2019**
(a) Claims against the Company not acknowledged as debts		
i) Labour Court Matter	34.73	26.14
ii) Civil - case (Pathredi)	3.59	3.59
	38.32	**29.73**

Notes:

(i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

(iii) The Company is in process of evaluating the impact of recent Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

Note 20 : Other Liabilities	**As At December 31, 2019**	**As At March 31, 2019**
Non- current		
Deferred Revenue	181.56	185.59
Total (A)	**181.56**	**185.59**
Current		
Advance from Customers	8.78	8.78
Deferred Revenue	1.26	0.38
Statutory dues	77.23	73.37
Others	1.84	3.02
Total (B)	**89.11**	**85.55**
Total (A+B)	**270.67**	**271.14**

Provision is made for estimated warranty claims in respect of good sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historical amounts.

Disclosure for warranty claim payable	**For the period ended December 31, 2019**	**For the period ended March 31, 2019**
Provision for warranty claim		
Opening Balance	185.96	-
Balance acquired pursuant to scheme of arrangements (refer note no 37)	-	184.90
Add : Provision made during the period	1.26	1.08
Less : Paid during the period	4.40	0.02
Balance at the end of the period	**182.82**	**185.96**

(Currency : ₹ in Lakhs except otherwise specified)

Note 21 : Trade payables	**As At December 31, 2019**	**As At March 31, 2019**
- Outstanding dues to micro and small enterprises	19.26	181.88
- Outstanding dues to parties other than micro and small enterprises	1,386.32	1,983.87
	1,405.58	**2,165.75**

Notes:

a) Trade payables are non-interest bearing and are normally settled on 90-day terms (except for MSME). The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note no 36.

b) As per Schedule III of Companies Act, 2013 & notification number GSR 719 (E) dated November 16, 2007, the amount due as of December 31, 2019 to micro and small enterprises as defined in Industries (Development and Regulation) Act, 1951.

Details of dues to Micro and Small enterprises as defined under the MSMED Act, 2006 (disclosures pertain for the period from April 01, 2019 to December 31, 2019 (For previous period, the disclosure pertains for the period from January 01, 2019 to March 31, 2019)) :

	As At December 31, 2019	**As At March 31, 2019**
- Principal amount due	19.07	181.27
- Interest accrued and due on above	0.19	0.61
	19.26	181.88
(i) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(ii) 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 MSMED Act 2006	Nil	Nil
(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.80	0.61
(iv) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

c) There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act,2013 as at December 31, 2019 and March 31, 2019.

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Note 22 : Revenue from operations	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Sale of Product		
- Finished goods	5,226.98	2,736.36
Other Operating Revenues		
- Sale of scrap	66.25	27.44
Revenue from operations	**5,293.23**	**2,763.80**

Note 23 : Other income	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Interest Income		
- Fixed deposits with banks	494.23	14.78
- Others	0.59	1.99
Gain on disposal of property, plant and equipments	-	2.27
Miscellaneous Income	55.90	43.18
	550.72	**62.22**

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Note 24 : Cost of Raw Material Consumed	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Raw Material		
Balance at the beginning of the period	410.38	-
Add: Balance acquired pursuant to scheme of arrangements (Refer note no.37)	-	619.36
Add: Purchases during the period	3,796.47	1,828.73
Less: Balances of Raw Material at the end of the period	351.34	410.38
Cost of Raw Material Consumption	**3,855.51**	**2,037.71**

Note 25 : Changes in Inventories of Finished Goods, Work in Progress and Stock in trade	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Inventories at the beginning of the period		
Work- in- progress		
Inventories at the beginning of the period	125.40	-
Add: Balance acquired pursuant to scheme of arrangements (Refer Note No.37)	-	274.67
(A)	125.40	274.67
Inventories at the end of the period		
Work- in- progress	117.15	125.40
(B)	117.15	125.40
(Increase) / Decrease in Inventory (A-B)	**8.25**	**149.27**

Note 26 : Employee benefits expense	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Salaries, wages & other benefits	290.93	83.82
Contribution to provident and other funds	16.45	9.07
Gratuity (refer note 33)	4.90	2.05
Staff welfare expenses	30.30	8.78
	342.58	**103.72**

Note 27 : Finance cost	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Interest Expense	0.19	0.61
Interest on Lease liabilities	3.95	-
	4.14	**0.61**

Note 28 : Depreciation and amortization expense	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Depreciation on property, plant and equipment	391.83	161.37
Amortization of intangible assets	3.04	1.39
Depreciation on right to use assets	33.59	-
	428.46	**162.76**

Note 29 : Other expenses	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
Consumable tools	82.73	6.34
Power & fuel	100.26	44.17
Hire labour charges	505.46	225.05
Manufacturing expenses	9.25	1.38
Rent, rates & taxes	3.61	34.48
Repair & maintenance		
-Repair to building	30.67	0.25
-Repair to plant & equipments	100.28	10.98
-Repair others	56.96	3.42
Travelling & conveyance	6.52	3.58
Insurance	10.05	2.39
Communication cost	3.29	0.75
Legal & professional expenses	12.74	10.44
Warranty claim	1.26	0.37
Packing material	0.18	2.20
Freight outward	30.44	15.51
Auditor's remuneration (refer details 'a' below)	3.13	3.00
Loss on disposal of property, plant and equipments	4.77	-
Management support supply services	160.79	56.47
Miscellaneous expenses	47.09	23.84
Total	**1,169.48**	**444.62**

a) Details of payment made to auditors is as follows:

Payment to auditors	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
As auditor:		
- Audit fee	3.13	3.00
	3.13	**3.00**

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Note 30: Income Tax

The major components of income tax expense for the period ended December 31, 2019 and March 31, 2019 are as below:

30.1 Income tax recognised in profit or loss

	As At December 31, 2019	As At March 31, 2019
Current tax		
a) In respect of current period	39.50	-
b) Adjustments in respect of current income tax of previous period	-	-
	39.50	-
Deferred tax		
In respect of current period	(1.49)	(112.75)
	(1.49)	(112.75)
Income tax expense recognised in the current period	**38.01**	**(112.75)**

The income tax expense for the period can be reconciled to the accounting profit as follows:

	As At December 31, 2019	As At March 31, 2019
Profit/(Loss) before tax	**35.53**	**(72.67)**
Tax at the Indian Tax Rate of 25.17% (March 31, 2019: 26%)	8.94	(18.90)
Property, Plant & Equipment	8.46	(79.67)
Effect of expenses that are not deductible in determining taxable profit	13.80	(15.16)
Unabsorbed business loss	9.39	-
Others	(2.58)	0.98
Tax expenses recognised in statement of profit or loss	**38.01**	**(112.75)**

The tax rate used for the current period reconciliation above is the corporate tax rate of 25.17% (March 31, 2019: 26%) payable by corporate entities in India on taxable profits under the Indian tax law.

30.2 Income tax recognised in other comprehensive income

	As At December 31, 2019	As At March 31, 2019
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(6.17)	(2.43)
Total tax recognised in other comprehensive income	**(6.17)**	**(2.43)**
Bifurcation of the income tax recognised in other comprehensive income into : -		
- Items that will not be reclassified to profit or loss	(6.17)	(2.43)
- Items that may be reclassified to profit or loss	-	-
	(6.17)	**(2.43)**

Note 31: Deferred tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

	As At December 31, 2019	As At March 31, 2019
Deferred tax assets	120.58	115.54
Deferred tax liabilities	(8.84)	(0.49)
Net deferred tax Assets/(liabilities)	**111.74**	**115.05**

	Opening Balance	Recognised in Profit or loss	Recognised in OCI	As At March 31, 2019
Deferred tax assets				
Defined benefit obligation	-	-	2.29	2.29
Property, plant and equipment and Intangible assets	-	88.50	-	88.50
Expenses deductible in future years	-	15.00	-	15.00
Unabsorbed Depreciation	-	9.70	-	9.70
Others	-	0.05	-	0.05
Total deferred tax assets	**-**	**113.25**	**2.29**	**115.54**
Deferred tax liabilities				
Gratutity	-	(0.49)	-	(0.49)
Total deferred tax liabilities	**-**	**(0.49)**	**-**	**(0.49)**
Net deferred tax (liabilities)/Assets	**-**	**112.75**	**2.29**	**115.05**

	As At March 31, 2019	Recognised in Profit or loss	Recognised in OCI	As At December 31, 2019
Deferred tax assets				
Defined benefit obligation	2.29	-	-	2.29
Property, plant and equipment and Intangible assets	88.50	14.98	-	103.47
Expenses deductible in future years	15.00	(0.60)	-	14.40
Unabsorbed Depreciation	9.70	(9.70)	-	-
Others	0.05	0.37	-	0.42
Total deferred tax assets	**115.54**	**5.05**	**-**	**120.58**
Deferred tax liabilities				
Defined Benefit Obligation	-	-	(4.80)	(4.80)
Expenses deductible in current years	(0.49)	(3.55)	-	(4.04)
Total deferred tax liabilities	**(0.49)**	**(3.55)**	**(4.80)**	**(8.84)**
Net deferred tax (liabilities)/Assets	**115.05**	**1.49**	**(4.80)**	**111.74**

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

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Note 32 : Earnings per share (EPS)	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019**
Profit attributable to equity holders of the Company used in calculating basic earnings per share and diluted earning per share **(A)**	438.54	204.79
Weighted average number of shares for the purpose of basic earning per share and diluted earning per share (numbers) **(B)**	**59.46**	**59.46**
Basic earnings per share (in ₹) - (A/B)	7.37	3.44
Diluted earnings per share (in ₹) - (A/B)	7.37	3.44

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Note 33 : Gratuity and other post-employment benefit plans

a) Defined contribution plans

The Company makes contribution towards Employees Provident Fund, Employee's State Insurance scheme and Employee Welfare Fund. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The contributions are made to registered funds administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Company during the period recognised the following amount in the Statement of profit and loss account under Company's contribution to defined contribution plan:

	For the period April 01, 2019 to December 31, 2019	For the period January 01, 2019 to March 31, 2019
Employer's Contribution to Provident Fund/ Pension Fund	14.04	7.12
Employer's Contribution to Employee State Insurance	2.41	1.62
Employer's Contribution to Employee Welfare Fund	-	0.33
Total	**16.45**	**9.07**

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

i) Gratuity scheme

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The employee's gratuity fund scheme managed by Life Insurance Corporation is a defined benefit funded plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of services as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

ii) Compensated absences

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 30 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee. Short term compensated absences are recognised in the statement of profit and loss on the basis of actual liability and long term compensated absences are recognised on the basis of actuary valuation which is an unfunded defined benefit plan.

These plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk

The plan expose the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk
The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

c) The following tables summarize 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 defined benefit plan (viz. gratuity and compensated absences). Leave encashment include earned leaves and sick leaves. These have been provided on accrual basis, based on period end actuarial valuation.

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (funded)	Earned leave (Unfunded)	Gratuity (funded)	Earned leave (Unfunded)
Present value of obligation as at the beginning of the period *	103.58	15.52	106.84	15.13
Acquisition Adjustment				
Add: Interest cost	5.59	0.84	1.92	0.27
Add: Current service cost	4.99	3.97	2.27	1.12
Add: Past Service cost	-	-	-	-
Less: Benefits paid	(36.12)	(2.77)	(15.87)	(4.19)
Add: Actuarial (gain) / loss				
- Demographic assumptions	0.01	0.00	-	-
- Financial assumptions	0.77	0.12	-	-
- Experience adjustments	(19.86)	(3.50)	8.42	3.19
Present value of obligation as at the end of the period	**58.96**	**14.18**	**103.58**	**15.52**

*** Liability of Employees trasferred to demerged entity NDR Auto Components Limited from Sharda Motor Industries Limited (Refer NCLT Order dated 02.02.2020)**

d) Components of expenses recognised in the statement of profit or loss in respect of:

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
Current service cost	4.99	3.97	2.27	1.12
Past service cost	-	-	-	-
Interest cost	5.59	0.84	1.92	0.27
Interest income	(5.69)	-	(2.15)	-
Remeasurements	-	(3.38)	-	3.19
Return on plan assets	-	-	-	-
Actuarial (gain) / loss	-	-	-	-
Expenses recognised in profit/loss (Refer Note Below)	**4.89**	**1.43**	**2.04**	**4.58**

e) Components of expenses recognised in the other comprehensive income in respect of:

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
Actuarial (gains) / losses				
- changes in demographic assumptions	(0.01)	-	-	-
- changes in financial assumptions	(0.77)	-	-	-
- experience variance	19.86	-	8.42	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	0.41	-
Component of defined benefit costs recognised in other comprehensive income	**19.08**	**-**	**8.83**	**-**

Notes:
(i) The current service cost and the interest expense for the period are included in the 'Employee benefits expense' in the profit or loss.
(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income

f) Changes in the fair value of the plan assets are as follows:

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
Fair value of plan assets at the beginning	105.35	-	119.48	-
Add: Investment income	5.69	-	2.15	-
Add: Expected return on plan assets	-	-	(0.41)	-
Add: Employer's Contribution	-	-	-	-
Add: Employee's Contribution	-	-	-	-
Less: Benefits paid	(36.12)	-	(15.87)	-
Add: Actuarial gains / (losses) on the plan assets	-	-	-	-
Fair value of plan assets at the end	**74.92**	**-**	**105.35**	-

*** Assets of Employees trasferred to demerged entity NDR Auto Components Limited from Sharda Motor Industries Limited (Refer NCLT Order dated 02.02.2020)**

g) The principal assumptions used for the purpose of the actuarial valuations were as follows:

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
Economic assumptions				
1 Discount rate	6.90%	6.90%	7.20%	7.20%
2 Salary increase rate	10.00%	10.00%	10.00%	10.00%
Demographic assumptions				
1 Average outstanding service of employees upto retirement	21.64	21.64	20.99	20.99
2 Retirement Age (years)	58	58	58	58
3 Mortality Rate	**Indian Assured Lives Mortality (2012-14) ultimate**		**Indian Assured Lives Mortality (2006-08) (modified) ultimate**	

Withdrawal Rate				
1 Ages up to 30 years	20.00%	20.00%	20.00%	20.00%
2 Ages from 30-44 years	20.00%	20.00%	20.00%	20.00%
3 Above 44 years	20.00%	20.00%	20.00%	20.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
Present value of obligation	58.96	14.18	103.58	15.52
Fair value of plan assets	74.92	-	105.35	-
Net (assets) / liability	**(15.96)**	**14.18**	**(1.77)**	**15.52**
Classification into long term and short term:				
- Classified as long term	-	10.17	-	11.08
- Classified as short term	(15.96)	4.02	(1.77)	4.45
Total	**(15.96)**	**14.19**	**(1.77)**	**15.53**

i) A quantitative sensitivity analysis for significant assumption is as shown below:

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
A. Discount rate				
Effect on defined benefit obligation due to 1% increase in Discount Rate	(2.50)	(0.38)	(4.08)	(0.41)
Effect on defined benefit obligation due to 1% decrease in Discount Rate	2.73	0.41	4.42	0.44
B. Salary escalation rate				
Effect on defined benefit obligation due to 1% increase in Salary Escalation Rate	2.62	0.39	4.24	0.42
Effect on defined benefit obligation due to 1% decrease in Salary Escalation Rate	(2.46)	(0.37)	(4.01)	(0.40)
C. Mortality rate				
Effect on defined benefit obligation due to 1% increase in mortality rate	-	-	-	-
Effect on defined benefit obligation due to 1% decrease in mortality rate	-	-	-	-

j) Maturity profile of defined benefit obligation is as follows:

	As at December 31, 2019		As at March 31, 2019	
	Gratuity (Funded)	Earned leave (Unfunded)	Gratuity (Funded)	Earned leave (Unfunded)
1 year	10.07	4.02	18.38	4.45
2 to 5 years	27.88	7.57	51.72	8.37
More than 5 years	21.02	2.60	33.49	2.72
k) Enterprise best estimate of contribution during next year is	-	-	10.39	-

Note 34 : Related party transactions

a) List of related parties:

Name of the Related Party	Relationship
a) Bharat Seats Ltd.	Associate Company
a) Toyo Sharda India (P) Ltd. b) Toyota Boshoku Relan India (P) Ltd.	Joint Ventures
a) Mrs.Sharda Relan (Director) b) Mr.Ajay Relan (Director) c) Mr. Dharam Asrey Agarwal (Director)	Key Managerial Personnel
a) Sharda Enterprises b) Sharda Motor Industires Ltd. c) Ajay Relan (HUF)	Enterprises over which Key Managerial Personnel are able to Exercise Significant Influence

S.No.	Nature of Transactions	Associate Company	Enterprises over which Key Managerial Personnel are able to Exercise significant influence	Joint Venture	Key Management Personnel
i)	**Sale of goods during the period (Inclusive of GST)**				
	- Bharat Seats Ltd.	6,101.71	-	-	-
		(3,182.87)	(-)	(-)	(-)
ii)	**Rent paid during the period**				
	-Sharda Enterprises	-	-	-	-
		(-)	(26.55)	(-)	(-)
iii)	**Sale of property, plant & equipments**				
	-Bharat Seats Ltd.	3.83	-	-	-
		(-)	(-)	(-)	(-)
iv)	**Purchase of goods during the period**				
	-Toyo Sharda India (P) Ltd.	-	-	-	-
		(-)	(-)	(1.32)	(-)
	-Bharat Seats Ltd.	10.33	-	-	-
		(38.73)	(-)	(-)	(-)
v)	**Dividend Received**				
	-Toyo Sharda India (P) Ltd.	-	-	20.25	-
		(-)	(-)	(-)	(-)
	-Bharat Seats Ltd.	90.00	-	-	-
		(-)	(-)	(-)	(-)
vi)	**Management Services received (Inclusive of GST)**				
	-Sharda Motor Industires Ltd.	-	189.74	-	-
		(-)	(66.63)	(-)	(-)
vii)	**Reimbursement of expenses paid**				
	-Sharda Motor Industries Ltd	-	456.64	-	-
		(-)	(624.00)	(-)	(-)
viii)	**Balance Payable**				
	-Bharat Seats Ltd.	8.61	-	-	-
		(25.00)	(-)	(-)	(-)
	-Toyo Sharda India (P) Ltd.	-	-	-	-
		(-)	(-)	(1.32)	(-)
ix)	**Balance Receivable**				
	-Toyota Boshoku Relan India (P) Ltd.	-	-	8.62	-
		(-)	(-)	(8.62)	(-)
	-Sharda Motor Industires Ltd.	-	266.90	-	-
		(-)	(557.37)	(-)	(-)
	-Bharat Seats Ltd.	632.18	-	-	-
		(930.69)	(-)	(-)	(-)

Notes:

1) Figures in bracket represents figures of March 31, 2019.

2) All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party payables/receivables. No expenses has been recognized in the current period in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.

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Note 35 : Segment Information

1. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance, allocates resources based on the analysis of the various performance indicator of the Company as a single unit), the operations of the Company falls under manufacturing of auto component parts, which is considered to be the only reportable segment.

2. Major Customer: Revenue from one customer of the Company's manufacturing business are ₹ 5,177.49 lakhs (March 31, 2019 ₹ 2,706.71 lakhs) which is more than 10 percent of the Company's total revenue. No other single customer contributed 10% or more to the Company's revenue for both December 31, 2019 and March 31, 2019.

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Note 36 : Financial instruments - fair values and risk management

36.1 Financial instruments by category and fair values

	As At December 31, 2019			As At March 31, 2019		
	FVTPL	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Non-current						
Investments in equity instrument *	-	-	-	-	-	-
Other financial assets						
- Security deposits	-	-	50.03	-	-	49.24
Current						
Trade receivables	-	-	642.09	-	-	933.18
Cash and cash equivalents	-	-	218.70	-	-	5,302.58
Bank balances other than above	-	-	9,020.00	-	-	4,000.00
Other financial assets						
- Staff advance	-	-	2.26	-	-	0.05
- Interest accrued on fixed deposits	-	-	331.62	-	-	13.31
- Receivable from related parties	-	-	275.52	-	-	566.00
Total	**-**	**-**	**10,540.22**	**-**	**-**	**10,864.36**
Financial liabilities						
Non current						
Other financial liabilities						
- Lease Liability	-	-	2.66	-	-	-
Current						
Trade payables	-	-	1,405.58	-	-	2,165.75
Other financial liabilities						
- Lease Liability	-	-	46.02	-	-	-
Total	**-**	**-**	**1,454.26**	**-**	**-**	**2,165.75**

* Investment value excludes investment in associates of ₹ 90 lakhs (March 31, 2019 : ₹ 90 lakhs) and investment in joint ventures of ₹ 75.50 lakhs (March 31, 2019 : ₹ 75.50 lakhs), which are shown at cost in balance sheet as per Ind AS 27 : Financial Statements.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As At December 31, 2019	As At March 31, 2019
Financial assets		
Level 1	-	-
Level 2	-	-
Level 3	-	-
Total financial assets	-	-

36.2 Measurement of fair value

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

There have been no transfers between Level 1 and Level 2 during the period.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

(i) Unquoted equity and other investments: Fair value of same has not been derived as in the opinion of directors the carrying amounts of these investments approximate their fair values.

(ii) Fair value of cash and cash equivalents, trade receivables, other current financial assets, trade payables, other current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments.

Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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.

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36.3 Capital management

The Company's policy is to maintain a strong capital base so as to maintain confidence of investors, bankers, customers and vendors and to sustain future development of the business. The management monitors the return on capital and also monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows:

	December 31, 2019	March 31, 2019
Total liabilities	1,739.11	2,452.42
Less: Cash and Cash equivalents	218.70	5,302.58
Adjusted net debt	1,520.41	(2,850.16)
Total equity	16,974.28	16,517.41
Equity & net debt	18,494.70	13,667.26
Adjusted net debt to equity ratio	0.08	(0.21)

36.4 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Market risk
- Credit risk
- Liquidity risk

Risk management framework:

The Company's principal financial liabilities other than derivatives comprise trade and other payables, employees related payables, interest accrued, security deposit and others. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes security deposits, trade receivables, cash and cash equivalents, deposits with banks, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company's senior level management assess these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

All derivative activities for risk management purposes are carried out in line with the policy duly approved by board of directors. The execution of the policy is done by treasury deaprtment which has appropriate skills, experience and supervision.

A. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates - will affect the Company's financial position or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Company.

B. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers, foreign exchange transactions, deposits with banks and other financial instruments. The carrying amount of financial assets represent the maximum credit risk exposure.

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i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company primarily has the exposure from following type of customer:
- Original equipment manufacturers (OEMs)

Company has established a policy under which each new OEMs are analysed individually for creditworthiness before goods are sold to them. The Company's review includes due diligence by analysing consolidated financial statements, industry information, promoter's background and in some cases bank references. In case of sales, the Company has limited its credit exposure to OEMs and dealers by providing a maximum payment period up to 60 days.

The Company's expected probability of default is nil and all major payments are received on due dates without any significant delays.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Upto 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2019	-	928.52	4.66	933.18
Trade Receivables as of December 31, 2019	-	637.08	5.01	642.09

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables, loans and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties.

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

However,Company need not required to provide for any risk allowance on account of trade receivable being bad and not recoverable as the amount of outstanding pertaining to trade receivables which exceeds the credit period allowed by the Company is less than 2% of the total outstanding from them.

ii) Financial assets

The Company's exposure to credit risk for financial assets is as follows:

	As at December 31, 2019	As at March 31, 2019
Investments	3,863.98	3,529.16
Security deposits	50.03	49.24
Staff Advance	2.26	0.05
Interest accrued on fixed deposits	331.62	13.31
Receivable from related parties	275.52	566.00
Total	**4,523.41**	**4,157.76**

C. 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's primary sources of liquidity include cash deposits,short term investments in mutual funds, borrowings, undrawn committed credit facilities and cash flow from operating activities. The Company seeks to increase income from its existing operations by maintaining quality standards for its goods and services while reducing the related costs and by controlling operating expenses.

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. However, material changes in the factors described above may adversely affect the Company's net cash flows.

As on December 31, 2019, Company doesn't have any outstanding borrowing.

Exposure to liquidity risk:

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

December 31, 2019		Contractual cash flow			
	Carrying amount	**Total**	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non derivative financial liabilities					
Trade payables	1,405.58	1,405.58	1,405.58	-	-
Lease Liability	48.68	48.68	46.02	2.66	-
	1,454.26	1,454.26	1,451.60	2.66	-

March 31, 2019		Contractual cash flow			
	Carrying amount	**Total**	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non derivative financial liabilities					
Trade payables	2,165.75	2,165.75	2,165.75	-	-
	2,165.75	2,165.75	2,165.75	-	-

Note 37: In accordance of the terms of scheme of arrangement ("Scheme") under Section 230 to 232 of the Companies Act, 2013 read with section 66 of the Act, and other relevant provisions of the Act, as applicable from time to time, approved by Hon'ble National Company Law Tribunal ("Tribunal"), New Delhi Bench vide order dated February 20, 2020, the Automobile Seating Undertaking of Sharda Motor Industries Limited (hereinafter defined as "SMIL" or "Demerged Company") has been demerged and transferred to NDR Auto Components Limited (hereinafter defined as "NACL" or "Resulting Company") with effect from December 31, 2018 the Appointed Date, and upon the occurrence of the Effective Date.

Pursuant to the NCLT order and as per the scheme, with effect from the Appointed Date, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting Company shall account for Demerger of the Demerged Undertaking in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standard (IND AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

a) NACL shall record the assets and liabilities of the Automobile Seating Undertaking vested in it pursuant to this Scheme at the respective Book Values thereof.

b) NACL shall credit its share capital account with the aggregate face value of the new equity shares issued by it to the members of SMIL in the following proportion:
"for every 1 (One) equity share of face value of INR10/- (Rupees Ten only) each held in SMIL as on the Record Date, the equity shareholders of SMIL shall be issued 1 (One) equity share of face value INR10/- (Rupees Ten only) each credited as fully paid-up in NACL"

c) In respect of cancellation of shares held by SMIL, NACL shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by SMIL in NACL with a corresponding credit to Capital Reserve of NACL.

d) The difference between a) and b) above shall be recorded as Capital Reserve.

e) If considered appropriate for the purpose of application of uniform accounting policies and method or for compliance with the applicable Accounting Standards, NACL may make suitable adjustment and adjust the effect thereof in the manner determined by the Board of Directors of NACL.

Per Schedule II of Part B of the Scheme, list of assets and liablities proposed to be transferred from SMIL to NACL pursuant to demerger are as under:

S. No.	Particulars	Resulting Company As at December 31, 2018 (Unaudited)
I	**Assets**	
	Non Current Assets	
	a) Property, plant and equipment	3,988.26
	b) Capital work in progress	6.50
	c) Intangible assets	8.02
	d) Financial assets	
	i) Investments	165.50
	ii) Other Financial Assets	49.85
	Total non-current Assets	**4,218.13**
	Current Assets	
	a) Inventories	945.49
	b) Financial Assets	
	i) Investments	1,427.33
	ii) Trade Receivables	1,739.12
	iii) Cash and cash equivalents	1,246.11
	iv) Bank balances other than (iii) above	6,071.56
	v) Other financial assets	8.84
	c) Other current assets	10.32
	d) Asset classified as held for sale	0.08
	Total Current Assets	**11,448.85**
	Total Assets	**15,666.98**
II	**Liabilities**	
	Non-current liabilities	
	a) Provisions	14.73
	b) Other non-current liabilities	183.55
	Total Non-current liabilities	**198.28**
	Current Liabilities	
	a) Financial liabilities	
	i) Trade payables	
	· Total outstanding dues to micro and small enterprises	-
	· Total outstanding dues to parties other than micro and small enterprises	2,074.39
	ii) Other financial liabilities	1.38
	b) Other current liabilities	244.61
	c) Provisions	29.13
	Total Current liabilities	**2,349.51**
	Total Liabilities	**2,547.79**

Details of contingent liabilities pertaining to Automobile Seating Undertaking as part of this Schedule

Details of Contingent Liabilities of Seating Business	
As on December 31, 2018	
Excise Matter	2.96
Labour Court Matter	23.28
Total	**26.24**
Other Civil Case	
Civil - case (Pathredi)	3.59
Total	**3.59**

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Note 38: For the Financial period ended December 31,2019, the financial statements represent the restated numbers which includes standalone financials of NDR Auto Components Limited - NACL and the Automobile Seating Undertaking of Sharda Motor Industries Limited- SMIL (i.e. 4 units of SMIL) as at December 31, 2019 pursuant to the NCLT order dated February 20, 2020 read with Para 9(iii) of Appendix C to Ind As 103 and after necessary elimination of inter company transactions.

Particulars	SMIL (i.e. 4 units)	NACL	Total
Assets			
Non-current assets			
(a) Property, plant and equipment	3,436.90	-	3,436.90
(b) Capital work in progress	6.84	-	6.84
(c) Right to use assets	47.20	-	47.20
(d) Other Intangible assets	0.55	-	0.55
(e) Financial assets			-
(i) Investments	3,863.98	-	3,863.98
(ii) Other financial assets	49.83	0.20	50.03
(f) Non-current tax asset (net)	11.58	-	11.58
(g) Deferred tax Assets (net)	111.74	-	111.74
			-
Total non current assets	**7,528.63**	**0.20**	**7,528.82**
Current assets			
(a) Inventories	556.69	-	556.69
(b) Financial assets			
(i) Trade receivables	642.09	-	642.09
(ii) Cash and cash equivalents	218.69	0.01	218.70
(iii) Bank balances other than (iii) above	9,020.00	-	9,020.00
(iv) Other financial assets	609.40	-	609.40
(c) Other current assets	137.47	0.14	137.61
(d) Asset held for sale	0.08	-	0.08
Total current assets	**11,184.42**	**0.15**	**11,184.57**
Inter company	**-**	**-**	-
Total Assets	**18,713.04**	**0.35**	**18,713.39**
Equity And Liabilities			
Equity			
(a) Share Suspense	593.63	1.00	594.63
(b) Other equity	16,381.53	(1.87)	16,379.65
Total equity	**16,975.16**	**(0.87)**	**16,974.28**
Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	2.66		2.66
(b) Provisions	10.16	-	10.16
(c) Other non-current liabilities	181.56	-	181.56
Total non current liabilities	**194.38**	**-**	**194.38**
Current liabilities			
(a) Financial liabilities			
i. Trade Payables			
- Total outstanding dues to micro and small enterprises	18.63	0.63	19.26
- Total outstanding dues to parties other than micro and small enterprises	1,386.32	-	1,386.32
ii.Other financial liabilities	46.02		46.02
(b) Other current liabilities	88.51	0.60	89.11
(c) Provisions	4.02	-	4.02
Total current liabilities	**1,543.50**	**1.23**	**1,544.73**
Total Liabilities	**1,737.88**	**1.23**	**1,739.11**
Total Equity And Liabilities	**18,713.04**	**0.35**	**18,713.39**

Note 39 : Leases

On transition to Ind AS 116, the Company recognised right-of-use assets amounting to ₹ 80.79 Lakhs and related accumulated depreciation amounting to ₹ 33.59 Lakhs charged in the current period, to the equivalent amount of lease liabilities amounting to ₹ 80.79 Lakhs as at April 01, 2019. The Company has discounted lease payments using the applicable incremental borrowing rate as at April 01, 2019, which is 8.25% for measuring the lease liability.

Reconciliation of operating lease commitments as at March 31, 2019 with the lease liabilities recognized in the Balance Sheet as at April 01, 2019:

Particulars	**Amount**
Total Lease commitments as at March 31, 2019	86.80
Present Value of Lease commitments as at March 31, 2019	80.79
Add/(less): contracts reassessed as lease contracts	-
Add/(less): adjustments on account of extension/termination	-
Lease liabilities as on April 01, 2019	**80.79**
Current lease liability	46.23
Non current lease liabilities	34.56

Right of use assets of ₹ 80.79 Lakhs and lease liabilities of ₹ 80.79 Lakhs have been recognised as on April 01, 2019.

The impact of change in accounting policy on account on adoption of Ind AS 116 is as follows :

Particulars	**Amount**
Decrease in Property Plant and equipment	-
Increase in lease liability	80.79
Increase in rights of use	80.79
Increase/(Decrease) in Deferred tax assets	-
Increase/(Decrease) in finance cost	3.95
Increase/(Decrease) in depreciation	33.59

Additions to right of use assets

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property.

Particulars	**As At December 31, 2019**	**As At March 31, 2019***
Right-of-use assets	80.79	-
	80.79	**-**

(B) Carrying value of right of use assets at the end of the reporting period by class

Particulars	**Land & Building**	**Total**
Balance at April 01, 2019	80.79	80.79
Depreciation charge for the period	33.59	33.59
Balance at December 31, 2019	47.20	47.20

(C) Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	**As At December 31, 2019**	**As At March 31, 2019***
Less than one year	48.07	-
One to five years	2.67	-
More than five years	-	-
Total undiscounted lease liabilities at December 31, 2019	**50.74**	**-**
Lease liabilities included in the statement of financial position at December 31, 2019	**48.68**	**-**
Current	**46.02**	**-**
Non-Current	**2.66**	**-**

(D) Amounts recognised in profit or loss

Particulars	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019 ***
Interest on lease liabilities	3.95	-
Depreciation charge for right-of-use assets by class of underlying asset;	33.59	
Expenses relating to leases	**37.54**	**-**

(E) Amounts recognised in the statement of cash flows

Particulars	**For the period April 01, 2019 to December 31, 2019**	**For the period January 01, 2019 to March 31, 2019 ***
Total cash outflow for leases	36.06	-

* Ind AS 116, Leases is applicable with effect from April 01, 2019, therefore the previous period figures have not been disclosed.

Note 40 : Investment In Associates & Joint Ventures

a) The Company has investment in Associate, which is a limited company listed on the stock exchange. The Company's interest in this associate company is accounted for using the equity method in the consolidated financial statements.

Name of the Company, Country of Incorporation, Principal Activities	Proportion (%) of equity interest	
	As At December 31, 2019	As At March 31, 2019
Bharat Seats Ltd., India, Manufacturing of Seating System	28.66%	28.66%

b) The following table summarises financial information of the associate companies and proportion of the Company's ownership interest:

Bharat Seats Ltd. Particulars	As At December 31, 2019	As At March 31, 2019
Current Assets	7,994.78	11,422.14
Non-current Assets	17,741.05	15,858.59
Current Liabilities	10,303.88	13,314.42
Non-current Liabilities	4,026.34	3,510.42
Equity	**11,405.61**	**10,455.89**
Proportion of the Company's ownership interest	28.66%	28.66%
Carrying amount of the Company's interest	3,268.85	2,996.66
Revenue	46,569.04	90,884.39
Profit/(Loss) after tax for the period	1,314.11	2,142.05
Other comprehensive income for the period	14.15	16.33
Total comprehensive income for the period	1,328.26	2,158.38

c) The Company has investment in Joint Ventures in the following private limited companies that are not listed on any public stock exchange. The Company's interest in these Joint Ventures companies is accounted for using the equity method in the consolidated financial statements.

Name of the Company, Country of Incorporation, Principal Activities	Proportion (%) of equity interest	
	As At December 31, 2019	As At March 31, 2019
Toyota Boshoku Relan India Pvt. Ltd., India, Manufacturing of Seating System	50.00%	50.00%
Toyo Sharda India Pvt. Ltd., India, Manufacturing of Seating System	50.00%	50.00%

d) The following table summarises financial information of the Joint Venture companies and proportion of the Company's ownership interest:

i) Toyota Boshoku Relan India Pvt. Ltd.

Particulars	As At December 31, 2019	As At March 31, 2019
Current Assets	1.14	1.14
Non-current Assets	14.51	14.51
Current Liabilities	0.98	0.59
Non-current Liabilities	34.12	32.85
Equity	**(19.45)**	**(17.79)**
Proportion of the Company's ownership interest	50.00%	50.00%
Carrying amount of the Company's interest	(9.73)	(8.90)
Revenue	-	0.12
Profit/(Loss) after tax for the period	(1.66)	(0.03)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	(1.66)	(0.03)

ii) Toyo Sharda India Pvt. Ltd.

Particulars	As At December 31, 2019	As At March 31, 2019
Current Assets	854.22	881.52
Non-current Assets	604.27	570.20
Current Liabilities	566.87	658.45
Non-current Liabilities	22.84	5.18
Equity	**868.78**	**788.09**
Proportion of the Company's ownership interest	50.00%	50.00%
Carrying amount of the Company's interest	434.39	394.04
Revenue	3,048.18	1,010.06
Profit/(Loss) after tax for the period	129.52	57.11
Other comprehensive income for the period	-	-
Total comprehensive income for the period	129.52	57.11

e) As disclosed in the accounting policies adopted by the Company for the purpose of consolidaton of financial statements, the Company, its associate and joint ventures have used uniform accounting policies for like transactions and other events in similar circumstances, except as under:

In case of Toyo Sharda India Private Limited, the joint venture, and Bharat Seats Limited, the associate company, depreciation on property, plant and equipment has been provided on straight line method as per the rates prescribed in Schedule II of the Companies Act, 2013 which is inconsistent with the written down value method of depreciation used in case of Parent. However it is impracticable to harmonise, therefore adjustment for the same has not been made in the consolidation financial statements.

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Note 41 : Disclosure of the additional information as required by the Schedule III:

For the period from April 01, 2019 to December 31, 2019

Particulars	Net Assets (i.e.Total Assets minusTotal Liability)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Asset	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Parent Company								
NDR Auto Components Limited	78.21%	13,275.80	-0.52%	(2.35)	3.12%	14.27	2.61%	11.92
Indian Associates (Investment as per Equity Method)								
Bharat Seats Ltd	19.63%	3,332.90	82.44%	376.62	22.12%	4.06	83.32%	380.68
Indian Joint Ventures (Investment as per Equity Method)								
Toyota Boshoku Relan India Pvt. Ltd	0.00%	(0.50)	-0.11%	(0.49)	0.00%	-	-0.11%	(0.49)
Toyo Sharda India Pvt. Ltd., India	2.16%	366.08	14.77%	64.76	0.00%	-	14.17%	64.76
Total	**100%**	**16,974.28**	**100%**	**438.54**	**100%**	**18.33**	**100%**	**456.87**

For the period from January 01, 2019 to March 31, 2019

Particulars	Net Assets (i.e.Total Assets minusTotal Liability)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Asset	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Parent Company								
NDR Auto Components Ltd.	79.64%	13,153.76	19.57%	40.08	-286.96%	(6.53)	16.20%	33.55
Indian Associate (Investment as per Equity Method)								
Bharat Seats Ltd.	18.42%	3,042.22	66.49%	136.17	386.96%	8.81	70.01%	144.98
Indian Joint Ventures (Investment as per Equity Method)								
Toyota Boshoku Relan India Pvt. Ltd.	0.00%	(0.14)	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
Toyo Sharda India Pvt. Ltd.	1.95%	321.57	13.94%	28.56	0.00%	-	13.79%	28.56
Total	**100%**	**16,517.41**	**100%**	**204.79**	**100%**	**2.28**	**100%**	**207.07**

Note 42: In view of the management, the current assets (financial & other) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

Note 43: Events occurring after balance sheet date
There are no major events which has occurred after the balance sheet date.

Note 44: Figures have been rounded off to the nearest lakhs upto two decimal place except otherwise stated.

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration Number 001393N

DEEPAK POKHRIYAL
Digitally signed by DEEPAK POKHRIYAL
Date: 2020.05.22 23:54:02 +05'30'

(CA. Deepak Pokhriyal)
Partner
Membership Number 524778
ICAI UDIN : 20524778AAAAAU4932

Place of Signature: Delhi
Date: 22.05.2020

For and on behalf of the Board of Directors of
NDR Auto Components Limited

DHARAM ASREY AGGARWAL
Digitally signed by DHARAM ASREY AGGARWAL
Date: 2020.05.22 23:26:15 +05'30'

(Dharam Asrey Aggarwal)
Director
DIN 07720007

AJAY RELAN
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Date: 2020.05.22 23:26:39 +05'30'

(Ajay Relan)
Director
DIN 00257584

ASHUTOSH VEDI
Digitally signed by ASHUTOSH VEDI
Date: 2020.05.22 23:12:23 +05'30'

(Ashutosh Vedi)
Company Secretary
Membership Number A60721

STATEMENT OF ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from our Company's audited financial statements as at and for the year ended included in the "Financial Statements" on page 68 of the Information Memorandum.

(Amount in ₹ lakhs except No of Shares)

Particulars	Period ended December 31, 2019 *	Year ended March 31, 2019 *
Net Worth (A)	16,974.28	165,17.41
Earnings Attributable before other comprehensive income attributable to Equity Share Holders (B)	438.54	204.79
Number of outstanding Equity shares for basic and diluted EPS including share suspense account (C)	59,46,326	59,46,326
Earnings Per Share (EPS) (Face value of ₹ 10/- Each)		
Basic & Diluted (B/C)	7.37	3.44
Return on Net Worth (%) (B/A)	2.58	1.24
Net Assets Value per share of ₹ 10/- each (A/C)	285.46	277.78

* After effectiveness of the Scheme

Note:

1. Earnings Per Share (₹) = Earnings before other comprehensive income attributable to Equity Share Holders / No. of outstanding Equity Shares for basic and diluted EPS including share suspense account
2. Return on Net Worth (%) = Earnings before other comprehensive income attributable to Equity Share Holders / Net Worth
3. Net Asset Value (₹) = Net Worth / Number of outstanding Equity shares including share suspense account

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no material outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against our Company (in the name of our Company and / or entities which were acquired by our Company), our Directors and our Promoter and there are no defaults, non-payment or overdue of statutory dues, institutional / bank dues and dues payable to holders of any debentures, bonds and fixed deposits, other unclaimed liabilities against our Company or Directors or Promoter. Further, no disciplinary action has been taken by SEBI or any stock exchanges against our Company (including for demerged undertaking), our Directors and our Promoter and Group Companies.

Except as stated under there are no:

- litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the date of the Information Memorandum and no direction has been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.
- pending litigation involving our Company, Promoter, Directors or any other person, whose outcome could have material adverse effect on the position of our Company
- pending proceedings initiated against our Company for economic offences
- defaults and non-payment of statutory dues etc. by our Company.

A. Criminal Litigations: Nil

B. Civil Litigations:

Filed by our Company: Nil

Filed against our Company:

Sr. No.	Court / Forum	Parties to Dispute	Brief Facts of the Case	Extent of Liability / Claim (Amount in ₹) as on April 30, 2020
1	Civil Court of Ld. Civil Judge Junior Division, Rewari, Haryana	Shri Balaji Stationers Vs. Sharda Motor Ind. Ltd	Recovery Suit for filed by the Proprietorship firm dealing in supply of Coffee Day Beverages to SMIL for its few pending Invoices for Year 2015-16. The matter is pending before the court.	₹ 3.59 lakhs

C. Labour related cases:

Sr. No.	Court / Forum	Parties to Dispute	Brief Facts of the Case	Extent of Liability / Claim (Amount in ₹) as on April 30, 2020
1	Industrial Tribunal -Cum -Labour Court -2	Hawa Singh -Vs.- Sharda Motor Industries Ltd and R.K & Company	Employed through contractor has raised dispute under ID Act, 1947 for claim of pending dues	₹ 4.13 lakhs
2	Industrial Tribunal -Cum -Labour Court -2	Krishan Kumar- Vs- Sharda Motor Industries Ltd. and Sheetla Associates	Employed through contractor has raised dispute under ID Act, 1947 for claim of pending dues	₹ 2.96 lakhs

Sr. No.	Court / Forum	Parties to Dispute	Brief Facts of the Case	Extent of Liability / Claim (Amount in ₹) as on April 30, 2020
3	Industrial Tribunal -Cum -Labour Court -2	Shree Chand Vs. SMIL	Employed through SMIL has raised dispute under ID Act, 1947 for claim of pending dues	₹ 4.80 lakhs
4	Controlling Authority under The Payment Of Gratuity Act	Parveen Kumar - Vs-Sharda Motor Industries Ltd and Sharda & Company	Employed through contractor, M/s - Sharda & Company and has filed suit to claim pending Gratuity Dues under Payment of Gratuity Act, 1972	₹ 0.52 lakhs
5	Controlling Authority under The Payment Of Gratuity Act	Dharmender -Vs- Sharda Motor Industries Ltd and Sharda & Company	Employed through contractor, M/s - Sharda & Company and has filed suit to claim pending Gratuity Dues under Payment of Gratuity Act, 1972	₹ 0.69 lakhs

D. Outstanding Litigations by / or against our Group Companies which has a material impact on our Company: Nil

E. Outstanding Litigations by / or against our Directors and / or Promoter: Nil

MATERIAL DEVELOPMENT AFTER THE DATE OF LAST AUDITED FINANCIAL STATEMENTS AS ON DECEMBER 31, 2019

In the opinion of our Board, there have not arisen since the date of the last audited financial statements i.e. December 31, 2019, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT APPROVALS

Except as under, we do not require any other approvals to carry on our business activities.

Permanent Account Number	: AAGCN4573Q
Tax Deduction Account Number	: DELN19864F
Goods and Services Tax Number	: 07AAGCN4573Q1ZQ

In terms of Clause 5.7 of the Scheme, without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of SMIL, and the rights and benefits under the same, in so far as they relate to the Automobile Seating Undertaking and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, designs, trade secrets, research and studies, technical knowhow and other intellectual properties (whether owned, licensed or otherwise, and whether registered or unregistered) and all other interests relating to the goods or services being dealt with by the Automobile Seating Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by SMIL, in relation to the Automobile Seating Undertaking shall be transferred to and vested in NACL and the concerned licensors and granters of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the name of NACL on such approvals, clearances, permissions and facilitate the approval and vesting of the same as part of the Automobile Seating Undertaking and continuation of operations pertaining to the Automobile Seating Undertaking in NACL without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against NACL, as the case may be, and may be enforced as fully and effectually as if, instead of SMIL, NACL had been a party or beneficiary or obligee thereto.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority of Listing
The Hon'ble National Company Law Tribunal, New Delhi bench, vide its Order dated February 20, 2020 (certified copy received by the Company on March 11, 2020) has approved the Scheme of Arrangement among Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors for demerger and transfer of the "Automobile Seating Business" of Sharda Motor Industries Limited (Demerged Company) into NDR Auto Components Limited (Resulting Company) under sections 230 to 232 read with Section 66 of the Companies Act, 2013. For more details relating to the Scheme of Arrangement and demerger please refer to the Section titled "Scheme of Arrangement" on page 33 of this Information Memorandum. In accordance with the said Scheme, the equity shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the NSE and BSE. Such listing and admission for trading is not automatic and is subject to fulfillment by the Company of criteria of NSE and BSE and also subject to such other terms and conditions as may be prescribed by NSE and BSE at the time of application by our Company seeking listing. Our Company has received no objection from NSE and BSE on the Scheme of Arrangement under Regulation 37 of the SEBI LODR Regulations vide their letter nos. NSE/LIST/20689_II dated August 19, 2019 and DCS/AMAL/JR/R37/1550/2019-20 dated August 19, 2019, respectively.

The Company has received approval for listing of its Equity Shares on NSE and BSE vide their letter no. [●] dated [●] and [●] dated [●] respectively. Further, the Company has also received a letter bearing no. [●] dated [●] from the Securities and Exchange Board of India ("SEBI") in relation to relaxation from applicability of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 for listing of the Equity Shares of NDR Auto Components Limited on stock exchanges.

Prohibition by SEBI
The Company, its promoter, its promoter group, its directors, other companies promoted by the promoter has not been prohibited from accessing the capital market under any order or direction passed by SEBI.

Further, any of the directors of the Company are not associated with the securities market in any manner, and SEBI has not initiated any action against any entity, with whom the directors of the Company are associated.

Eligibility Criteria
There being no initial public offering or rights issue, the eligibility criteria in terms of Chapter II of the SEBI ICDR Regulations, as amended does not become applicable.

Willful defaulters by Reserve Bank of India
The Company, its promoter, its promoter group, the relatives (as per the Companies Act, 2013) of Promoter and other companies promoted by the Promoter are not identified as willful defaulters by Reserve Bank of India Circular Ref. No. RBI/2015-16/100 DBR.No.CID.BC.22/20.16.003/2015-16 dated July 1, 2015 or other authorities.

General Disclaimer from the Company
The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements to be published in terms of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Jurisdiction
Exclusive jurisdiction for the purpose of this Information Memorandum is with the competent courts / authorities in New Delhi, India.

In Principle Approval from BSE and NSE
The Company has received in-principle approval under Regulation 37 of the SEBI LODR Regulations from NSE and BSE in relation to listing of equity shares issued pursuant to the Scheme of Arrangement vide their letter no.

NSE/LIST/20689_II dated August 19, 2019 and DCS/AMAL/JR/R37/1550/2019-20 dated August 19, 2019 respectively.

Disclaimer Clause - NSE
As required, a copy of the Draft Scheme was submitted to NSE. NSE has *vide* its letter NSE/LIST/20689_II dated August 19, 2019 granted its observations on the Scheme of Arrangement under Regulation 37 of the SEBI LODR Regulations and by virtue of that approval, the NSE's name is included in this Information Memorandum as one of the Stock Exchanges on which the Company's securities are proposed to be listed.

Disclaimer Clause - BSE
As required, a copy of Draft Scheme was submitted to BSE. BSE has *vide* its letter DCS/AMAL/JR/R37/1550/2019-20 dated August 19, 2019 granted its observations on the Scheme of Arrangement under Regulation 37 of the SEBI LODR Regulations and by virtue of that approval, the BSE's name is included in this Information Memorandum as one of the Stock Exchanges on which the Company's securities are proposed to be listed.

Filing
Copy of this Information Memorandum has been filed with BSE and NSE.

Listing
Application has been made to BSE and NSE for permission for listing and trading in and for an official quotation of the Equity Shares of the Company. The Company has nominated NSE as the Designated Stock Exchange for the aforesaid listing of shares. The Company ensure that it will take all steps for the completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within such period as approved by SEBI.

Demat Credit
The Company has executed Tri-partite Agreements with CDSL and NSDL dated March 11, 2020 and February 29, 2020, respectively, for admitting its securities in demat form. The ISIN allotted to the Company's equity shares is INE07OG01012. Shares have been allotted to those shareholders who have provided necessary details to the Company/RTA and/or who were holding their shares in Sharda Motor Industries Limited in demat form as on the Record Date i.e. March 27, 2020. The demat shares have been credited to the demat accounts of the shareholders by CDSL and NSDL on April 15, 2020 and April 16, 2020 respectively. The equity shares to be credited to Investor Education and Protection Fund have been credited by NSDL on April 16, 2020.

Dispatch of share certificates
Pursuant to the Scheme, on March 30, 2020, our Company has issued and allotted its Shares to eligible shareholders of Sharda Motor Industries Limited on the Record Date, i.e. March 27, 2020 and our Company has dispatched share certificates to those shareholders holding shares in Sharda Motor Industries Limited in physical form by May 27, 2020.

Expert Opinions
Save as stated elsewhere in this Information Memorandum, we have not obtained an expert opinions.

Previous Public Issues
The Company has not made any public issue since incorporation.

Commission and Brokerage on previous issues
Since the Company has not issued shares to the public in the past, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Companies under the same management
There are no companies under the same management within the meaning of Section 370(1B) of the erstwhile Companies Act, 1956 other than the ones disclosed elsewhere in the Information Memorandum.

Promise vis-à-vis Performance
This is for the first time the Company is getting listed on the Stock Exchange.

Outstanding Debenture or Bonds and Redeemable Preference Shares and Other Instruments Issued by the Company
There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by the Company.

Stock Market Data for Equity Shares of the Company
Equity shares of the Company are not listed on any stock exchanges. The Company is seeking approval for listing of shares through this Information Memorandum.

Disposal of Investor Grievances
Beetal Financial & Computer Services (P) Limited is the Registrar and Transfer Agent of the Company to accept the documents/requests/complaints from the investors/shareholders of the Company. All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. The Company has set up service standards for each of the various processors involved such as effecting the transfer/dematerialization of securities/change of address ranging from 3-7 days.

Mr. Ashutosh Vedi, Company Secretary of the Company is vested with responsibility of addressing the Investor Grievance(s) in coordination with Registrar & Transfer Agent.

Name and Contact Details of the Company Secretary and Compliance Officer:
Ashutosh Vedi
Company Secretary
NDR Auto Components Limited
D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020
Tel.: +91 11 4733 4100
Fax: +91 11 2681 1676
Email: cs@ndrauto.com
Website: www.ndrauto.com

Change in auditors during last three years
There has been no change in the Statutory Auditors of the Company since incorporation.

Capitalisation of reserves or profits
Our Company has not capitalised reserves or profits since incorporation.

Revaluation of assets
Our Company has not revalued its assets since incorporation.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Interpretation

I In these regulations –

1)

(a) "the Act" means the Companies Act, 2013 and/or any statutory modification or amendment made thereunder.

(b) "Company" means **NDR AUTO COMPONENTS LIMITED**.

(c) "Directors" means a director appointed to the Board of a company.

(d) "Independent director" means an independent director referred to in sub-section (6) of section 149 of the Act.

(e) "managing director" means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called

(f) "officer" includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act.

(g) "Office" means the Registered Office of the Company.

(h) "Public Company" means a company which—

a. is not a private company and;
b. has a minimum paid-up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

(i) "Seal" means the Common Seal of the Company.

(2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

Share capital and variation of rights

II 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

3 (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5 (i) The company may exercise the powers of paying commissions conferred by sub- section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6 i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8 Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

9. i) The company shall have a first and paramount lien –

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10 The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11 i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12 (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale

Calls on shares

13 (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14 A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16 i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17 i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18 The Board --

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19 i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20 The Board may, subject to the right of appeal conferred by section 58 decline to register –

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21 The Board may decline to recognise any instrument of transfer unless --

(a) the instrument of transfer is in the form as prescribed in rules made under sub- section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22 On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board

may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

23 (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24 i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25 i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27 If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28 The notice aforesaid shall --

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the

call was made shall be liable to be forfeited.

29 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

30 (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31 i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32 i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33 The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34 The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35 Subject to the provisions of section 61, the company may, by ordinary resolution, --

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36 Where shares are converted into stock, --

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37 The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --
(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

Capitalisation of profits

38 i) The company in general meeting may, upon the recommendation of the Board, resolve --

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --
(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39 (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40 Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities

General meetings

41 All general meetings other than annual general meeting shall be called extraordinary general meeting.

42 i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43 (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be

as provided in section 103.

44 The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45 If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46 If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47 i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48 Subject to any rights or restrictions for the time being attached to any class or classes of shares, --

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49 A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once

50 (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51 A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

54 (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55 The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56 An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

57 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the

previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58 (i) The number of Directors shall not be less than two and not more than fifteen. The Company may appoint more than fifteen directors after passing a special resolution.

(ii) The following shall be the First Directors of the Company:

1. AJAY RELAN
2. SHARDA RELAN
3. DHARAM ASREY AGGARWAL

59 i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them –

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60 The Board may pay all expenses incurred in getting up and registering the company.

61 The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine

63 Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64 (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65 i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66 (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote

67 The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68 i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69 (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70 (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71 (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72 All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73 Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74 Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75 A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager,

company secretary or chief financial officer

The Seal

76 i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77 The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78 Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79 i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve

80 (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81 The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82 (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83 Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84 Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in

the manner mentioned in the Act.

85 No dividend shall bear interest against the company.

Accounts

86 (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87 Subject to the provisions of Chapter XX of the Act and rules made thereunder --

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88 Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Others

89 i) The Company may issue equity with voting rights and/or with differential rights as to dividend, voting or otherwise, and preference shares, in accordance with the Act and the Rules.

(ii) Dematerialization

(a) The holders of any securities issued or to be issued by the Company may hold such securities in the dematerialized form in accordance with the provisions of the Depositories Act, 1996, and any Regulations and/or Guidelines issued by SEBI in this regard from time to time.

(b)

(ba) A Member of the Company can get the Securities held by him dematerialized.

(bb) Every person subscribing to securities offered by the Company shall have the option to receive Security Certificate (if permitted under law) or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

(iii) The Depository shall hold the dematerialized securities in the fungible form.

(iv) The Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of dematerialized securities held by it on behalf of the beneficial owner.

(v) The Depository, as a registered owner of the securities, shall not have any voting rights or any other right in respect of the securities held by it.

(vi) Every person holding shares of the Company and whose name is entered as a beneficial owner in respect of those shares in the records of the Depository shall be deemed to be a Member of the Company. A beneficial owner of the shares shall be entitled to all the rights including voting rights and benefits and be subject to all the liabilities in respect of his shares held by a depository on his behalf.

(vii) The Depository shall provide the record in respect of transfer of securities of the Company, the particulars of beneficial owners of such securities at such intervals and in such manner as may be prescribed by the bye laws of the Depository.

(viii) The Register and Index of beneficial owners in respect of the securities of the Company, maintained by a depository shall be deemed to be the Register and Index of Members and Security holders of the Company.

(ix) The Company shall intimate to the Depository the details of securities issued by it from time to time immediately on allotment of such securities.

(x) The Company shall recognize the Beneficial Owners as the absolute owners of the securities of the Company whose names appear in the records of the Depository as the holders of such securities in respect of the receipt of dividend or bonus or service of notices and all or any other matters connected therewith. The Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

(iii) POWERS OF BOARD OF DIRECTORS

(a) The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company.

(b) The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.

(c) The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

(iv) BORROWING POWER

(a) Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money

and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

(b) The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.

(c) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

(v) MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

(a) Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.

(b) The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.

(vi) BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

(vii) AUDIT

(a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of Incorporation of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

(b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting

(c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

(d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

(viii) SECRECY

Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the Company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

(ix) GENERAL POWERS

Where any provisions of the said Act, provides that the Company or its Board of Directors shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorize the Company or its Board of Directors to carry out the same, without the need for any specific or explicit Article in that behalf.

(x) PROJECT DOCUMENTS:

(i) Notwithstanding anything to the contrary contained in these Articles, the Company shall do all things necessary to give effect to the terms of the Project Documents and comply with the provisions thereof, for the Project, and the Board and the shareholders of the Company shall pass necessary resolutions and do such other things as may be required to comply with the provisions of the Project Documents.

(ii) In case of any ambiguities or discrepancies between these Articles and Project Documents, the Project Documents will prevail over these Articles.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Information Memorandum), which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at D - 188, Okhla Industrial Area, Phase - I, New Delhi - 110 020 from 10.00 a.m. to 02.00 p.m. on working days from the date of the Information Memorandum.

Documents for Inspection

1. Certificate of Incorporation of our Company.
2. Memorandum and Articles of our Company.
3. Copy of the Fairness Report provided by Sundae Capital Advisors Private Limited dated March 25, 2019.
4. Copy of the Undertaking and the Auditor's certificate dated April 05, 2019 submitted to SEBI confirming non application of clause (I)(A)(9)(a) of the Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.
5. Copy of the resolution passed by the Board of directors dated April 05, 2019 approving the scheme.
6. Scheme of Arrangement among Sharda Motor Industries Limited and NDR Auto Components Limited and their respective Shareholders and Creditors.
7. Letter under Regulation 37 of SEBI LODR Regulations issued by NSE (NSE/LIST/20689_II dated August 19, 2019) and BSE (DCS/AMAL/JR/R37/1550/2019-20 dated August 19, 2019).
8. Order dated February 20, 2020 (certified true copy recieved on March 11, 2020) of the Hon'ble National Company law Tribunal, New Delhi Bench sanctioning the Scheme of Arrangement under Section 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013.
9. Tripartite agreements dated March 11, 2020 and February 29, 2020 with CDSL & NSDL respectively.
10. Statement of Tax Benefits dated May 02, 2020 from Gupta Vigg & Co., Statutory Auditors.
11. Audited financial statements of our Company for the period ended December 31, 2019 and March 31, 2019.
12. NSE letter no. [●] dated [●] granting in-principle listing approval.
13. BSE letter no. [●] dated [●] granting in-principle listing approval.
14. SEBI Relaxation letter no. [●] dated [●] granting relaxation for listing from the applicability of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957.

Any of the contracts or documents mentioned in the Information Memorandum may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

All relevant provisions of the Companies Act, 2013 (to the extent notified and applicable), the rules made thereunder and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Information Memorandum is in contrary to the provision of the Companies Act, 2013 (to the extent notified and applicable), the Securities and Exchange Board of India Act, 1992 or the rules made thereunder. We further certify that all statements made in the Information Memorandum are true and correct.

On behalf of the Board of Directors of NDR Auto Components Limited

DHARAM ASREY AGGARWAL
Digitally signed by DHARAM ASREY AGGARWAL
Date: 2020.05.29 22:51:27 +05'30'

Dharam Asrey Aggarwal
Whole Time Director & Chief Financial Officer

Date: May 29, 2020
Place: New Delhi