



# Sharda Motor Industries Ltd.

**SMIL: BSE/NSE: 22-23/2705**

**May 27, 2022**

**BSE Limited**

Department of Corporate Services

Pheroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

**(SCRIP CODE - 535602)**

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor

Plot No. C/1, G Block

Bandra - Kurla Complex, Mumbai - 400 051

**(Symbol - SHARDAMOTR) (Series - EQ)**

**Sub: Outcome of the Board Meeting held on May 27, 2022**

Dear Sir/ Madam,

In furtherance to our Letter No. **SMIL: LISTING: 22-23/2005**, dated May 20, 2022 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations") and other applicable provision(s), if any, we hereby inform that the Board of Directors at their meeting held today (i.e. Friday, May 27, 2022, commenced at 5:35 P.M. (IST) and concluded at 6:50 P.M. (IST)), has inter-alia considered/ recommended and/ approved the following:

1. Audited Financial Statements (Standalone & Consolidated) for the year ended March 31, 2022.
2. Financial Results (Standalone & Consolidated) for the fourth quarter and year ended March 31, 2022.

A copy of the said standalone and consolidated Audited Financial Statements & Financial Results are enclosed alongwith Auditors' Report thereon is enclosed herewith as "**Annexure I**".

We further declare that statutory auditors have given their unmodified opinion on the said results, statement to which effect, duly signed by Chief Financial Officer of the Company is also enclosed.

3. The Board has recommended a final Dividend of 15% of Profit after Tax i.e. Rs. 8.15/- per equity share of Face Value of Rs. 2/- each; for the Financial Year 2021-22, subject to the approval of shareholders in the ensuing Annual General Meeting.

**Regd. Office :** D-188, Okhla Industrial Area, Phase-I, New Delhi - 110 020 (INDIA)

Tel.: 91-11-47334100, Fax : 91-11-26811676

E-mail : [smil@shardamotor.com](mailto:smil@shardamotor.com), Website : [www.shardamotor.com](http://www.shardamotor.com)

CIN NO-L74899DL1986PLC023202



# ***Sharda Motor Industries Ltd.***

4. The Sharda Motor Industries Limited Stock Option Scheme 2022 or Employees Stock Incentive Plan ("ESOP Scheme") on the recommendation of Nomination & Remuneration Committee and subject to the approval of shareholders of the Company.

This is for your information and record.

**Thanking You,  
Your's Faithfully**

**Divyang Jain  
Asst. Company Secretary &  
Compliance Officer**

**Encl. as above**

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Plot No. C/1, G Block

Bandra - Kurla Complex, Mumbai - 400 051

**(Symbol - SHARDAMOTR) (Series - EQ)**

**Subject: Declaration in respect of Audit Report with unmodified opinion for the financial year ended March 31, 2022**

Dear Sir,

In compliance with the Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016; we hereby declare that the Statutory Auditors of the Company, M/s. Gupta Vigg & Co., Chartered Accountants, have issued an Audit Report with unmodified opinion on Audited Standalone & Consolidated Financial Results of the Company for the last quarter & financial year ended March 31, 2022.

This is for your information and records. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

**For Sharda Motor Industries Limited**

SRINIVASAN  
NARASIMHAN  
**Srinivasan Narasimhan**  
Chief Financial Officer

Digitally signed by  
SRINIVASAN NARASIMHAN  
Date: 2022.05.27 18:24:59  
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**Regd. Office :** D-188, Okhla Industrial Area, Phase-I, New Delhi - 110 020 (INDIA)

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CIN NO-L74899DL1986PLC023202



E-61, Lower Ground Floor, Kalkaji, New Delhi-110019 (India) Ph. : (011) 40543700  
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**Independent Auditors' Report on the Quarterly and Year to Date Standalone Financial Results of Sharda Motor Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Sharda Motor Industries Limited

**Opinion**

We have audited the accompanying Statement of quarterly and year to date Standalone Financial Results of **Sharda Motor Industries Limited** ("the Company") for the quarter and year ended March 31, 2022 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information for the quarter ended March 31, 2022 and net profit, other comprehensive income and other financial information for the year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

We draw attention to Note No. 5 to the Statement, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion on the Statement is not modified in respect of this matter.





## **Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the audited standalone financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down under Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to



continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Other Matters

Attention is invited to Note No. 2 to the Statement. As stated therein, the Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the annual audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of this matter.



Place: New Delhi  
Date: May 27, 2022

For GUPTA VIGG & CO.  
Chartered Accountants  
Firm Registration No. 001393N

A handwritten signature in blue ink, appearing to read "Ankur Parika".

Ankur Parika  
Partner  
Membership No. 549410  
UDIN: 22549410AJTNPA7125

**Sharda Motor Industries Limited**  
 Regd. Office: D-188, Okhla Industrial Area, Phase-I, New Delhi-110020  
 CIN: L74899DL1986PLC023202

Tel.: +91-11-47334100 Fax: +91-11-26811676

E-Mail: investorrelations@shardamotor.com, Website: www.shardamotor.com

**Statement of audited standalone financial results for the quarter and year ended 31 March, 2022**

(₹ in Lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		(Audited) (Refer Note 2)	(Unaudited)	(Audited) (Refer Note 2)	(Audited)	(Audited)
<b>1</b>	<b>Revenue</b>					
	a. Revenue from operations	61,785.11	57,859.58	60,416.92	225,531.32	173,653.60
	b. Other income	761.63	557.08	558.38	2,953.61	2,145.03
	<b>Total income (a+b)</b>	<b>62,546.74</b>	<b>58,416.66</b>	<b>60,975.30</b>	<b>228,484.93</b>	<b>175,798.63</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of raw material consumed	47,802.04	46,251.44	47,790.43	177,135.53	139,305.35
	b. Purchases of stock in trade	1,654.62	1,202.62	1,265.65	4,721.37	3,386.07
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	(110.92)	(1,006.25)	315.70	(1,247.54)	(745.72)
	d. Employees benefits expense	2,456.06	2,296.78	2,375.96	9,236.64	8,162.05
	e. Depreciation and amortization expense	1,107.35	991.45	1,290.31	4,065.09	4,398.46
	f. Finance cost	34.62	41.70	43.52	147.50	142.70
	g. Other expenses	3,555.55	2,907.66	3,424.97	12,906.55	10,621.73
	<b>Total expenses</b>	<b>56,499.32</b>	<b>52,685.40</b>	<b>56,506.54</b>	<b>206,965.14</b>	<b>165,270.64</b>
<b>3</b>	<b>Profit/(loss) from operations before exceptional items &amp; tax (1-2)</b>	<b>6,047.42</b>	<b>5,731.26</b>	<b>4,468.76</b>	<b>21,519.79</b>	<b>10,527.99</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-	-
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>	<b>6,047.42</b>	<b>5,731.26</b>	<b>4,468.76</b>	<b>21,519.79</b>	<b>10,527.99</b>
<b>6</b>	<b>Tax expense</b>					
	a. Current tax	1,458.88	1,567.00	1,336.00	5,539.88	3,050.00
	b. Deferred tax	(26.73)	(110.78)	(156.21)	(169.58)	(381.04)
	<b>Total tax expenses</b>	<b>1,432.15</b>	<b>1,456.22</b>	<b>1,179.79</b>	<b>5,370.30</b>	<b>2,668.96</b>
<b>7</b>	<b>Profit/(loss) for the period/year (5-6)</b>	<b>4,615.27</b>	<b>4,275.04</b>	<b>3,288.97</b>	<b>16,149.49</b>	<b>7,859.03</b>
<b>8</b>	<b>Other comprehensive income/(loss)</b>					
	(i) Items that will not be reclassified to profit or loss	123.79	(12.41)	58.19	86.57	(49.63)
	(ii) Tax(benefit)/expense on items that will not be reclassified to profit or loss	(31.16)	3.13	(14.65)	(21.79)	12.49
	<b>Total other comprehensive income/(loss)</b>	<b>92.63</b>	<b>(9.28)</b>	<b>43.54</b>	<b>64.78</b>	<b>(37.14)</b>
<b>9</b>	<b>Total comprehensive income/(loss) for the period/year (7+8)</b>	<b>4,707.90</b>	<b>4,265.76</b>	<b>3,332.51</b>	<b>16,214.27</b>	<b>7,821.89</b>
<b>10</b>	<b>Paid-up equity share capital (face value of ₹ 2 each)</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>
<b>11</b>	<b>Other equity excluding revaluation reserve</b>	-	-	-	-	43,949.96
<b>12</b>	<b>Earnings Per Share (of ₹ 2/- each) (Not Annualised)</b>					
	a) Basic	15.53	14.38	11.06	54.32	26.43
	b) Diluted	15.53	14.38	11.06	54.32	26.43



**Notes:**

1. The above audited standalone financial results were reviewed and recommended by the Audit Committee and further considered & approved by the Board of Directors at their meeting held on May 27, 2022 and also have been audited by the statutory auditors of the company.
2. The figures for the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year. The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year.
3. These standalone financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
4. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the management.
5. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
6. The Board of Directors at its meeting held on May 27, 2022 has recommended a dividend of Rs. 8.15/- per equity share for the year ended March 31, 2022, subject to the approval of the shareholders in the ensuing Annual General meeting.
7. The code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any impact in the period the Code becomes effective.
8. Figures of the previous period/year have been re-grouped and re-arranged, wherever required.
9. Provision for income tax is made at the effective income tax rates.
10. The standalone financial results of the company are also available on the Company's website ([www.shardamotor.com](http://www.shardamotor.com)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

Date: May 27, 2022

for and on behalf of the Board of Directors

AJAY  
RELAN  
Managing Director

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by AJAY RELAN  
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**Independent Auditors' Report on the Quarterly and Year to Date Consolidated Financial Results of Sharda Motor Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Sharda Motor Industries Limited

**Opinion**

We have audited the accompanying Statement of quarterly and year to date Consolidated Financial Results of **Sharda Motor Industries Limited** ("the Parent Company") and its share of the net profit/loss after tax and total comprehensive income/loss of its joint ventures and associate for the quarter and year ended March 31, 2022 ("the Statement"), attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit report of other auditor on separate audited financial statement of associate as referred in paragraph (a) of other matter paragraph and unaudited financial statements of two joint ventures as referred in paragraph (b) of other matter paragraph, the Statement:

- a. includes the results of the Parent Company and the following entities:

S. No.	Name of the Entity	Relationship
1	Relan Industrial Finance Limited	Associate Company
2	Exhaust Technology Private Limited	Joint Venture
3	Uddipt Mobility India Private Limited	Joint Venture

- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit after tax, other comprehensive income and other financial information of the Parent Company, its associate and joint ventures for the quarter ended March 31, 2022 and the consolidated net profit after tax, other comprehensive Income and other financial information of the Parent Company, its associate and joint ventures for the year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results".



section of our report. We are independent of the Parent Company, its associate and joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.

#### **Emphasis of Matter**

We draw attention to Note No. 5 to the Statement, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Parent Company's financial performance as assessed by the management.

Our opinion on the Statement is not modified in respect of this matter.

#### **Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the audited consolidated financial statements. The Parent Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Parent Company, its associate and joint venture in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Parent Company, its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement, that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Parent Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the Parent Company, its associate and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent Company, its associate and joint venture are also responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in



the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Parent Company, its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent Company, its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the Parent Company, its associate and joint venture to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

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





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

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

#### **Other Matters**

- a. The consolidated financial results include the Parent Company's share of net profit/(loss) after tax of Rs. 8.29 lakhs and Rs. (17.85 lakhs) for the quarter and year ended March 31, 2022 respectively and total comprehensive income/(loss) of Rs. 8.29 lakhs and Rs. (17.85 lakhs) for the quarter and year ended March 31, 2022 respectively, as considered in the Statement, in respect of an associate, whose financial results/financial statements/financial information have not been audited by us. These financial results/financial statements/financial information have been audited by the other auditor whose report has been furnished to us by the Management and our opinion and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on the report of the other auditor.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

- b. The consolidated financial results also include the Parent Company's share of net loss after tax of Rs. 225.10 lakhs and Rs. 1,210.13 lakhs for the quarter and year ended March 31, 2022 respectively and total comprehensive loss of Rs. 225.10 lakhs and Rs. 1,210.13 lakhs for the quarter and year ended March 31, 2022 respectively, as considered in the Statement, in respect of two joint ventures, whose financial results/ financial statements/financial information have not been audited by us. These financial results/ financial statements/financial information are unaudited and have been furnished to us by the Management of the Parent Company and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unaudited financial statements/financial information. In our opinion and as per the information and explanation given to us by the management of the company, these financial results are not material to the consolidated financial results.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements/financial information certified by the Management.

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- c. Attention is invited to Note No. 2 to the Statement. As stated therein, the Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the annual audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of this matter.

Place: New Delhi  
Date: May 27, 2022



For GUPTA VIGG & CO.  
Chartered Accountants  
Firm Registration No. 001393N

  
Ankur Parika  
Partner  
Membership No. 549410  
UDIN: 22549410AJTNTG6027

**Sharda Motor Industries Limited**  
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**Statement of audited consolidated financial results for the quarter and year ended 31 March, 2022**

(₹ in Lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		(Audited) (Refer Note 2)	(Unaudited)	(Audited) (Refer Note 2)	(Audited)	(Audited)
<b>1</b>	<b>Revenue</b>					
	a. Revenue from operations	61,785.11	57,859.58	60,416.92	225,531.32	173,653.60
	b. Other income	761.63	557.08	558.38	2,953.61	2,145.03
	<b>Total income (a+b)</b>	<b>62,546.74</b>	<b>58,416.66</b>	<b>60,975.30</b>	<b>228,484.93</b>	<b>175,798.63</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of raw material consumed	47,802.04	46,251.44	47,790.43	177,135.53	139,305.35
	b. Purchases of stock in trade	1,654.62	1,202.62	1,265.65	4,721.37	3,386.07
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	(110.92)	(1,006.25)	315.70	(1,247.54)	(745.72)
	d. Employees benefits expense	2,456.06	2,296.78	2,375.96	9,236.64	8,162.05
	e. Depreciation and amortization expense	1,107.35	991.45	1,290.31	4,065.09	4,398.46
	f. Finance cost	34.62	41.70	43.52	147.50	142.70
	g. Other expenses	3,555.55	2,907.66	3,424.97	12,906.55	10,621.73
	<b>Total expenses</b>	<b>56,499.32</b>	<b>52,685.40</b>	<b>56,506.54</b>	<b>206,965.14</b>	<b>165,270.64</b>
<b>3</b>	<b>Profit/(loss) from operations before exceptional items &amp; tax (1-2)</b>	<b>6,047.42</b>	<b>5,731.26</b>	<b>4,468.76</b>	<b>21,519.79</b>	<b>10,527.99</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-	-
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>	<b>6,047.42</b>	<b>5,731.26</b>	<b>4,468.76</b>	<b>21,519.79</b>	<b>10,527.99</b>
<b>6</b>	<b>Tax expense</b>					
	a. Current tax	1,458.88	1,567.00	1,336.00	5,539.88	3,050.00
	b. Deferred tax	(26.73)	(110.78)	(156.21)	(169.58)	(381.04)
	<b>Total tax expenses</b>	<b>1,432.15</b>	<b>1,456.22</b>	<b>1,179.79</b>	<b>5,370.30</b>	<b>2,668.96</b>
<b>7</b>	<b>Profit/(loss) for the period/year before share of profit/(loss) of associate and joint venture (5-6)</b>	<b>4,615.27</b>	<b>4,275.04</b>	<b>3,288.97</b>	<b>16,149.49</b>	<b>7,859.03</b>
<b>8</b>	<b>Share of profit/(loss) of associate (net of tax)</b>	<b>8.29</b>	<b>(2.05)</b>	<b>(21.80)</b>	<b>(17.85)</b>	<b>(35.82)</b>
<b>9</b>	<b>Share of profit/(loss) of joint venture (net of tax)</b>	<b>(225.10)</b>	<b>(365.36)</b>	<b>(675.81)</b>	<b>(1,210.13)</b>	<b>(1,158.31)</b>
<b>10</b>	<b>Profit/(loss) for the period/year (7+8+9)</b>	<b>4,398.46</b>	<b>3,907.63</b>	<b>2,591.36</b>	<b>14,921.51</b>	<b>6,664.90</b>
<b>11</b>	<b>Other comprehensive income/(loss)</b>					
	(i) Items that will not be reclassified to profit or loss	123.79	(12.41)	58.19	86.57	(49.63)
	(ii) Tax(benefit)/expense on items that will not be reclassified to profit or loss	(31.16)	3.13	(14.65)	(21.79)	12.49
	<b>Total other comprehensive income/(loss)</b>	<b>92.63</b>	<b>(9.28)</b>	<b>43.54</b>	<b>64.78</b>	<b>(37.14)</b>
<b>12</b>	<b>Total comprehensive income/(loss) for the period/year (10+11)</b>	<b>4,491.09</b>	<b>3,898.35</b>	<b>2,634.90</b>	<b>14,986.29</b>	<b>6,627.76</b>
<b>13</b>	<b>Paid-up equity share capital (face value of ₹ 2 each)</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>	<b>594.63</b>
<b>14</b>	<b>Other equity excluding revaluation reserve</b>	-	-	-	-	42,490.39
<b>15</b>	<b>Earnings Per Share (of ₹ 2/- each) (Not Annualised)</b>					
	a) Basic	14.80	13.14	8.72	50.19	22.42
	b) Diluted	14.80	13.14	8.72	50.19	22.42

**Notes:**

1. The above consolidated financial results were reviewed and recommended by the Audit Committee and further considered & approved by the Board of Directors at their meeting held on May 27, 2022 and also have been audited by statutory auditors of the company.
2. The figures for the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year. The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year.
3. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
4. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the management.
5. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
6. The Board of Directors at its meeting held on May 27, 2022 has recommended a dividend of Rs. 8.15/- per equity share for the year ended March 31, 2022, subject to the approval of the shareholders in the ensuing Annual General meeting.
7. The code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any impact in the period the Code becomes effective.
8. Figures of the previous period/year have been re-grouped and re-arranged, wherever required.
9. Provision for income tax is made at the effective income tax rates.
10. The consolidated financial results of the company are also available on the Company's website ([www.shardamotor.com](http://www.shardamotor.com)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

Date: May 27, 2022

for and on behalf of the Board of Directors

AJAY  
RELAN  
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AJAY RELAN  
Date: 2022.05.27  
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Managing Director

**Sharda Motor Industries Limited**  
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**Statement of Assets & Liabilities (Standalone and Consolidated) as at March 31, 2022**

(₹ in Lakhs)

	Particulars	Standalone		Consolidated	
		As At	As At	As At	As At
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Audited)	(Audited)	(Audited)
<b>I. Assets</b>					
<b>Non-current assets</b>					
(a) Property, plant and equipment		14,545.49	16,796.27	14,545.49	16,796.27
(b) Capital work in progress		5.00	10.65	5.00	10.65
(c) Right-of-use assets		1,016.82	1,046.09	1,016.82	1,046.09
(d) Intangible assets		68.39	90.36	68.39	90.36
(e) Financial assets					
(i) Investment in associate & joint venture		4,799.07	3,799.00	2,111.52	2,339.43
(ii) Other investments		3.85	3.85	3.85	3.85
(iii) Other financial assets		199.72	400.60	199.72	400.60
(f) Non-current tax asset (net)		617.38	448.86	617.38	448.86
(g) Other non-current assets		287.62	301.68	287.62	301.68
(h) Deferred tax assets (net)		519.50	371.72	519.50	371.72
<b>Total non-current assets</b>		<b>22,062.84</b>	<b>23,269.08</b>	<b>19,375.29</b>	<b>21,809.51</b>
<b>Current assets</b>					
(a) Inventories		13,141.20	13,856.79	13,141.20	13,856.79
(b) Financial assets					
(i) Investments		5,645.72	1,713.99	5,645.72	1,713.99
(ii) Trade receivables		27,604.91	32,432.56	27,604.91	32,432.56
(iii) Cash and cash equivalents		19,340.22	7,300.30	19,340.22	7,300.30
(iv) Bank balances other than (iii) above		20,415.76	19,002.57	20,415.76	19,002.57
(v) Other financial assets		409.80	595.34	409.80	595.34
(c) Other current assets		539.70	544.15	539.70	544.15
(d) Asset classified as held for sale		100.66	18.00	100.66	18.00
<b>Total current assets</b>		<b>87,197.97</b>	<b>75,463.70</b>	<b>87,197.97</b>	<b>75,463.70</b>
<b>Total assets</b>		<b>109,260.81</b>	<b>98,732.78</b>	<b>106,573.26</b>	<b>97,273.21</b>
<b>II. Equity And Liabilities</b>					
<b>Equity</b>					
(a) Equity share capital		594.63	594.63	594.63	594.63
(b) Other equity		59,382.29	43,949.96	56,694.74	42,490.39
<b>Total equity</b>		<b>59,976.92</b>	<b>44,544.59</b>	<b>57,289.37</b>	<b>43,085.02</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
(a) Financial liabilities					
(i) Lease liabilities		1,184.55	1,128.17	1,184.55	1,128.17
(ii) Other financial liabilities		22.79	27.79	22.79	27.79
(b) Provisions		780.61	520.21	780.61	520.21
<b>Total non-current liabilities</b>		<b>1,987.95</b>	<b>1,676.17</b>	<b>1,987.95</b>	<b>1,676.17</b>
<b>Current liabilities</b>					
(a) Financial liabilities					
(i) Trade payables					
- Total outstanding dues to micro and small enterprises		384.77	1,023.12	384.77	1,023.12
- Total outstanding dues to creditors other than micro and small enterprises		41,158.75	46,105.82	41,158.75	46,105.82
(ii) Lease liabilities		61.10	62.04	61.10	62.04
(iii) Other financial liabilities		671.97	967.46	671.97	967.46
(b) Other current liabilities		4,393.25	3,608.97	4,393.25	3,608.97
(c) Provisions		626.10	744.61	626.10	744.61
<b>Total current liabilities</b>		<b>47,295.94</b>	<b>52,512.02</b>	<b>47,295.94</b>	<b>52,512.02</b>
<b>Total liabilities</b>		<b>49,283.89</b>	<b>54,188.19</b>	<b>49,283.89</b>	<b>54,188.19</b>
<b>Total equity and liabilities</b>		<b>109,260.81</b>	<b>98,732.78</b>	<b>106,573.26</b>	<b>97,273.21</b>

for and on behalf of the Board of Directors

**AJAY**  
**RELAN**  
 Managing Director

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 AJAY RELAN  
 Date: 2022.05.27  
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Date: May 27, 2022



Sharda Motor Industries Limited Regd. Office: D-188, Okhla Industrial Area, Phase-I, New Delhi-110020 CIN: L74899DL1986PLC022302 Tel: +91-11-47334100 Fax: +91-11-26811676 E-Mail: investorrelations@shardamotor.com, Website: www.shardamotor.com <b>Statement of Cash Flow (Standalone and Consolidated) for the year ended March 31, 2022</b> (₹ in Lakhs)				
Particulars	Standalone		Consolidated	
	Year ended 31-03-2022	Year ended 31-03-2021	Year ended 31-03-2022	Year ended 31-03-2021
	Audited	Audited	Audited	Audited
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit / (loss) before tax	21,519.70	10,527.90	21,519.70	10,527.90
Adjustments for:				
Depreciation and amortization	4,085.09	4,308.48	4,085.09	4,308.48
Finance cost	147.50	142.70	147.50	142.70
Interest income	(1,323.90)	(1,002.18)	(1,323.90)	(1,002.18)
Loss / (Gain) on disposal of financial asset measured at fair value through profit and loss (FVTPL)	34.03	-	34.03	-
Provision for doubtful debts	87.11	-	87.11	-
Loss / (Gain) on disposal of property, plant and equipment (net)	(911.54)	(455.90)	(911.54)	(455.90)
Fair value gain designated at FVTPL	7.43	(37.94)	7.43	(37.94)
Unrealized loss/(gain) on reinstatement of foreign exchange (net)	(84.62)	(88.71)	(84.62)	(88.71)
<b>Operating profit/(loss) before adjustments</b>	<b>23,540.89</b>	<b>13,484.42</b>	<b>23,540.89</b>	<b>13,484.42</b>
Movement in working capital:				
Decrease/(increase) in inventories	715.59	(3,163.37)	715.59	(3,163.37)
Decrease/(increase) in trade receivables	4,882.37	(20,727.23)	4,882.37	(20,727.23)
Decrease/(increase) in other financial assets	193.23	89.74	193.23	89.74
Decrease/(increase) in other assets	2.50	(57.73)	2.50	(57.73)
Increase/(decrease) in trade payables	(5,473.49)	20,585.99	(5,473.49)	20,585.99
Increase/(decrease) in other liabilities	737.14	1,898.25	737.14	1,898.25
Increase/(decrease) in other financial liabilities	10.02	(177.39)	10.02	(177.39)
Increase/(decrease) in provisions	278.09	139.22	278.09	139.22
<b>Cash generated from operating activities</b>	<b>24,886.34</b>	<b>18,031.90</b>	<b>24,886.34</b>	<b>18,031.90</b>
Income Tax (paid)/ refund	(5,708.40)	(3,220.64)	(5,708.40)	(3,220.64)
<b>Net cash from operating activities - (A)</b>	<b>19,177.94</b>	<b>14,811.26</b>	<b>19,177.94</b>	<b>14,811.26</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment including capital work-in-progress	(3,545.79)	(4,055.33)	(3,545.79)	(4,055.33)
Acquisition of intangible assets including intangible assets under development	(23.97)	(72.24)	(23.97)	(72.24)
Proceeds from disposal of property, plant and equipment	2,199.19	1,726.11	2,199.19	1,726.11
Payments for purchase of investments	(22,363.00)	(1,250.39)	(22,363.00)	(1,250.39)
Proceeds from sale of investments	17,389.74	-	17,389.74	-
Bank deposits (made)/realised	(1,413.19)	(12,232.06)	(1,413.19)	(12,232.06)
Interest received	1,548.44	659.11	1,548.44	659.11
<b>Net cash flow/(used) from/in investing activities - (B)</b>	<b>(6,208.58)</b>	<b>(15,224.80)</b>	<b>(6,208.58)</b>	<b>(15,224.80)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance cost paid	(48.78)	(50.48)	(48.78)	(50.48)
Cash payments for the interest portion of the lease liability	(100.72)	(92.22)	(100.72)	(92.22)
Dividend paid (including corporate dividend tax)	(781.94)	(3.63)	(781.94)	(3.63)
<b>Net cash flow/(used) from/in financing activities - (C)</b>	<b>(929.44)</b>	<b>(146.33)</b>	<b>(929.44)</b>	<b>(146.33)</b>
<b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b>	<b>12,039.92</b>	<b>(509.87)</b>	<b>12,039.92</b>	<b>(509.87)</b>
Cash and cash equivalents at the beginning of the period	7,300.30	7,880.17	7,300.30	7,880.17
<b>Cash and cash equivalents at the end of the period</b>	<b>19,340.22</b>	<b>7,300.30</b>	<b>19,340.22</b>	<b>7,300.30</b>
for and on behalf of the Board of Directors <div style="text-align: right;">             AJAY              RELAN              Managing Director           </div> <div style="text-align: right; font-size: small;">             Digitally signed by AJAY RELAN              Date: 2022.05.27 18:14:45 +0530           </div> Date: May 27, 2022				