

YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

1. Firm's information

YA Auto Industries is a partnership firm formed through partnership deed dated. 28th June, 2016.

2. Basis of preparation

A. Statement of compliance

The Financial statements are prepared on historical cost convention, unless stated otherwise, on a going concern basis and, in accordance with normally accepted accounting principles.

Fair value concept has not been considered though all financial assets and liabilities (current and non-current) are expected to realize and payable at the value which are considered in the financials.

B. Use of estimates and judgments

In preparing these financial statements, the partners have made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

C. Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Partnership firm at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

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 are recognized in profit or loss,

D. Current versus non-current classification

The Partnership firm presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- expected to be realised in, or is intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of being traded;
- expected to be realised within 12 months after the reporting date; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.



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YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

All other assets are classified as non-current.

A Liability is current when:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Partnership firm does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Partnership firm has identified twelve months as its operating cycle.

E. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, 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 labor, 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Partnership firm.

iv. Depreciation

Depreciation is provided for the year on WDV method at the rates specified in Income Tax Act, 1961.



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Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

F. Impairment

Impairment of non-financial assets

The Partnership firm's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

G. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Partnership firm's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortized or depreciated.

H. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. 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 capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I. Leases

a) Operating leases

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

b) Finance leases

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Statement of Profit and Loss.

J. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.



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(All amounts in ₹, unless otherwise stated)

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, first in first out method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

K. Revenue recognition

(i) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT), goods & service tax (GST). This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

ii) Claims lodged with insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

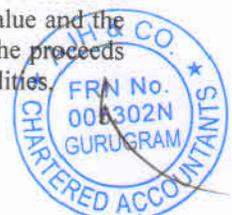
(iii) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.

(iv) Share of profit from partnership firms is recognized on accrual basis.

L. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Partnership firm receives grants of non-monetary assets, the assets and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

M. Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Partnership firm has a present 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. Expected future operating losses are not provided for...

(i) Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

(ii) Contingencies

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

N. Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Partnership firm has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Partnership firm records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the partnership firm can no longer withdraw the offer of those benefits and when the Partnership firm recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

O. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income..

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

P. Cash and cash equivalents

Cash and cash equivalents in the balance sheet firm cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Partnership firm's cash management.

For AJH & Co.

Chartered Accountants

Firm Registration No: 005302N



Ajay Jain

Partner

Membership No. 084096

Sanjeev Garg
Partner

Suman Minda

Suman Minda

Partner

Place : Delhi

Date : 09-06-2021

UDIN : 21084096AAAAAB23176

YA AUTO INDUSTRIES

Balance Sheet as at 31st MARCH, 2021

(All amounts in Indian ₹, unless otherwise stated)

| | Note | As at 31 March 2021 | As at 31 March 2020 |
|--|------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment and capital work-in-progress | 3 | | |
| Property, plant and equipment | 3A | 1,85,05,001 | 1,87,04,706 |
| Other intangible assets | 3B | 4,82,124 | 6,42,832 |
| Financial assets | | | |
| (i) Other non current financial assets | 4 | 9,21,216 | 9,21,216 |
| Other non-current assets | 5 | 32,176 | 22,198 |
| Total non-current assets | | 1,99,40,517 | 2,02,90,952 |
| Current assets | | | |
| Inventories | 6 | 4,32,07,675 | 3,54,68,861 |
| Financial assets | | | |
| (i) Trade receivables | 7 | 5,73,89,313 | 6,73,25,122 |
| (ii) Cash and cash equivalents | 8 | 19,76,032 | 22,85,721 |
| Other current assets | 9 | 30,99,933 | 1,29,34,298 |
| Total current assets | | 10,56,72,953 | 11,80,14,002 |
| Total assets | | 12,56,13,470 | 13,83,04,954 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Partners capital | 10 | 3,70,02,966 | 5,53,18,320 |
| Total equity | | 3,70,02,966 | 5,53,18,320 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Provisions | 11 | 56,18,492 | 42,11,353 |
| Total non-current liabilities | | 56,18,492 | 42,11,353 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Trade payables | 12 | 7,28,79,306 | 7,35,33,701 |
| (ii) Other financial liabilities | 13 | 31,96,558 | 15,12,210 |
| Other current liabilities | 14 | 23,03,348 | 18,21,711 |
| Provisions | 15 | 5,61,631 | 19,07,659 |
| Current tax liabilities (net) | 16 | 40,51,169 | - |
| Total current liabilities | | 8,29,92,012 | 7,87,75,281 |
| Total equity and liabilities | | 12,56,13,470 | 13,83,04,954 |

For AJH & Co.

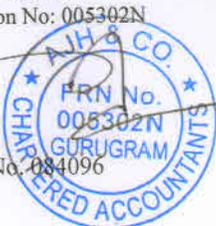
Chartered Accountants

Firm Registration No: 005302N

Ajay Jain

Partner

Membership No. 084096



Sanjeev Garg
SANJEEV GARG
PARTNER

Suman Minda
SUMAN MINDA
PARTNER

Place : Delhi

Date : 09-06-2021

UDIN : 21084096AAAAABZ3176

YA AUTO INDUSTRIES

Statement of Profit and Loss for the Year ended 31st MARCH, 2021

(All amounts in Indian ₹, unless otherwise stated)

| | Note | Year ended 31 March 2021 | Year ended 31 March 2020 |
|--|------|-----------------------------|-----------------------------|
| TOTAL INCOME | | | |
| Revenue from operations | 17 | 72,13,85,039 | 66,32,94,505 |
| Other income | 18 | 11,76,570 | 66,91,524 |
| Total income | | 72,25,61,609 | 66,99,86,029 |
| EXPENSES | | | |
| Cost of materials consumed | 19 | 48,70,10,444 | 45,66,49,844 |
| Changes in inventory of finished goods and work-in-progress | 20 | 26,17,685 | (40,94,672) |
| Employee benefit expenses | 21 | 5,61,89,115 | 5,41,54,778 |
| Finance costs | 22 | 1,04,788 | 48,409 |
| Depreciation and amortization | 23 | 37,65,230 | 39,29,187 |
| Other expenses | 24 | 3,68,87,868 | 3,48,27,894 |
| Total expenses | | 58,65,75,130 | 54,55,15,440 |
| Profit for the year before tax | | 13,59,86,479 | 12,44,70,589 |
| Income tax expense | | | |
| Current tax | | 4,83,46,000 | 4,41,54,000 |
| Short/(Excess) Provision for Income Tax | | (3,62,487) | 1,731 |
| Profit for the year after tax | | 8,80,02,966 | 8,03,18,320 |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Remeasurements of defined benefit liability (asset) | | | |
| Income tax relating to items that will not be reclassified to profit or loss | | | |
| Other comprehensive income for the year, net of income tax | | | |
| Total comprehensive income for the year | | 8,80,02,966 | 8,03,18,320 |

Significant accounting policies

1-2

The accompanying notes form an integral part of the financial statements

In terms of our report attached

For AJH & Co.

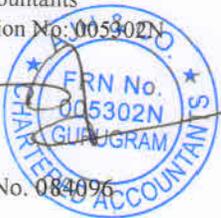
Chartered Accountants

Firm Registration No. 005302N

Ajay Jain

Partner

Membership No. 084096



SANJEEV GARG
PARTNER

SUMAN MINDA
PARTNER

Place : Delhi

Date : 09-06-2021

UDIN : 21084096AAAA BZ3176

YA Auto Industries

Cash Flow Statement for the year ended 31st MARCH 2021

(All amounts in ₹, unless otherwise stated)

| | Year ended 31-03-2021 | Year ended 31-03-2020 |
|---|--------------------------|--------------------------|
| A. Cash flows from operating activities : | | |
| Profit before tax | 13,59,86,479 | 12,44,70,589 |
| Adjustments for : | | |
| Depreciation and amortisation | 37,65,230 | 39,29,187 |
| Finance Costs | 1,04,788 | 48,409 |
| Interest income | - | (20,879) |
| | 38,70,018 | 39,56,717 |
| Operating profit before working capital changes | 13,98,56,497 | 12,84,27,306 |
| Adjustments for working capital changes : | | |
| (Increase)/decrease in Capital Advance | - | - |
| (Increase)/decrease in other non current financial assets | - | - |
| (Increase)/ decrease in other non current assets | (9,978) | (22,198) |
| (Increase)/ decrease in inventories | (77,38,814) | (74,39,436) |
| (Increase)/ decrease in trade and other receivables | 99,35,809 | (1,68,78,337) |
| (Increase)/ decrease in other assets | 98,34,365 | (20,01,466) |
| Increase in trade payables | (6,54,395) | 85,52,068 |
| Increase/(decrease) in other financial liabilities | 16,84,348 | (17,67,660) |
| Increase/(decrease) in short-term provisions | 27,05,141 | (7,18,201) |
| Increase/(decrease) in other current liabilities | 4,81,637 | (11,98,211) |
| Increase in long-term provisions | 14,07,139 | 9,34,948 |
| | 1,76,45,252 | (2,05,38,493) |
| Cash generated from operations | 15,75,01,749 | 10,78,88,813 |
| Income tax paid | (4,79,83,513) | (4,41,52,269) |
| Net Cash flows from operating activities (A) | 10,95,18,236 | 6,37,36,544 |
| B. Cash flows from investing activities | | |
| Purchase of property, plant & equipment | (34,27,207) | (39,44,817) |
| Purchase of intangible assets | - | - |
| Proceeds from sale of fixed assets | 22,390 | 6,89,200 |
| Finance cost | (1,04,788) | (48,409) |
| Interest received on fixed deposits | - | 20,879 |
| Net cash used in investing activities (B) | (35,09,605) | (32,83,147) |
| C. Cash flows from financing activities | | |
| Share capital of partners - Additions / withdrawal | (10,63,18,320) | (6,70,43,366) |
| Net cash used in financing activities (C) | (10,63,18,320) | (6,70,43,366) |
| Net increase/ (decrease) in cash and cash equivalents(A+B+C) | (3,09,689) | (65,89,969) |
| Cash and Bank equivalents as at opening | 22,85,721 | 88,75,690 |
| Cash and cash equivalents as at closing | 19,76,032 | 22,85,721 |
| Cash equivalents as at Closing | 1,03,451 | 1,11,471 |
| Balances with banks: | | |
| - on current accounts | 18,72,581 | 21,74,250 |
| Cash and cash equivalents at the end of the year | 19,76,032 | 22,85,721 |

Significant accounting policies

The accompanying notes form an integral part of the financial statements

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, as specified under the section 133 of the Companies Act, 2013.

2 Purchase of Property, Plant and Equipment includes movement of Capital work-in-progress (including capital advances) during the year.

In terms of our report attached

For AJH & Co.

Chartered Accountants

Firm Registration No: 005302N

Ajay Jain

Partner

Membership No: 084096

Place : Delhi

Date 09-06-2021

UDIN- 21084096AAAABZ3176



SANJEEV GARG
PARTNER

SUMAN MINDA
PARTNER

Notes forming part of the financial statements
(All amounts in Indian ₹, unless otherwise stated)

Note No. 3

Property, plant and equipment and capital work-in-progress

A. Tangible Assets

| | Note | Plant and Machinery | Furniture and Fixtures | Vehicles | Office Equipment | Computers | Total (A) |
|---|------|---------------------|------------------------|------------------|------------------|------------------|--------------------|
| Cost or deemed cost (gross carrying amount) | | | | | | | |
| Balance at 1 April 2019 | | 2,26,11,374 | 13,68,365 | 36,62,362 | 5,42,177 | 8,52,719 | 2,90,36,997 |
| Additions | | 30,30,181 | - | 9,04,986 | - | 9,650 | 39,44,817 |
| Deductions/ Adjustments | | 2,39,200 | - | 4,50,000 | - | - | 6,89,200 |
| Balance at 31 March 2020 | | 2,54,02,355 | 13,68,365 | 41,17,348 | 5,42,177 | 8,62,369 | 3,22,92,614 |
| Balance at 1 April 2020 | | 2,54,02,355 | 13,68,365 | 41,17,348 | 5,42,177 | 8,62,369 | 3,22,92,614 |
| Additions | | 31,23,259 | - | - | 8,955 | 2,94,993 | 34,27,207 |
| Deductions/ Adjustments | | 22,390 | - | - | - | - | 22,390 |
| Balance at 31 March 2021 | | 2,85,03,224 | 13,68,365 | 41,17,348 | 5,51,132 | 11,57,362 | 3,56,97,431 |
| Accumulated depreciation and impairment losses | | | | | | | |
| Balance at 1 April 2019 | | 80,38,935 | 3,36,183 | 7,51,936 | 1,54,467 | 5,91,477 | 98,72,998 |
| Depreciation for the year | | 30,08,240 | 1,03,218 | 4,36,938 | 58,157 | 1,08,357 | 37,14,910 |
| Disposals | | - | - | - | - | - | - |
| Balance at 31 March 2020 | | 1,10,47,175 | 4,39,401 | 11,88,874 | 2,12,624 | 6,99,834 | 1,35,87,908 |
| Balance at 1 April 2020 | | 1,10,47,175 | 4,39,401 | 11,88,874 | 2,12,624 | 6,99,834 | 1,35,87,908 |
| Depreciation for the year | | 28,60,981 | 92,896 | 4,39,271 | 50,105 | 1,61,269 | 36,04,522 |
| Disposals | | - | - | - | - | - | - |
| Balance at 31 March 2021 | | 1,39,08,156 | 5,32,297 | 16,28,145 | 2,62,729 | 8,61,103 | 1,71,92,430 |
| Carrying amounts (net) | | | | | | | |
| At 1 April 2019 | | 1,45,72,439 | 10,32,182 | 29,10,426 | 3,87,710 | 2,61,242 | 1,91,63,999 |
| At 31 March 2020/ 1 April 2020 | | 1,43,55,180 | 9,28,964 | 29,28,474 | 3,29,553 | 1,62,535 | 1,87,04,706 |
| Balance at 31 March 2021 | | 1,45,95,068 | 8,36,068 | 24,89,203 | 2,88,403 | 2,96,259 | 1,85,05,001 |



Notes forming part of the financial statements
(All amounts in Indian ₹, unless otherwise stated)

Note No. 3

B. Intangible assets

| | Note | Goodwill | Goodwill Total |
|--|------|------------------|------------------|
| Cost or deemed cost at 1 April 2019 | | - | - |
| Balance at 1 April 2019 | | 20,31,667 | 20,31,667.00 |
| Additions | | - | - |
| Balance at 31 March 2020 | | 20,31,667 | 20,31,667 |
| Balance at 1 April 2020 | | 20,31,667 | 20,31,667 |
| Additions | | - | - |
| Balance at 31 March 2021 | | 20,31,667 | 20,31,667 |
| Accumulated amortisation and impairment losses at 1 April 2019 | | 11,74,558 | 11,74,558 |
| Amortisation for the year | | 2,14,277 | 2,14,277 |
| Balance at 31 March 2020 | | 13,88,835 | 13,88,835 |
| Balance at 1 April 2020 | | 13,88,835 | 13,88,835 |
| Amortisation for the year | | 1,60,708 | 1,60,708 |
| Balance at 31 March 2021 | | 15,49,543 | 15,49,543 |
| Carrying amount (net) | | | |
| At 1 April 2020 | | - | - |
| At 31 March 2020/ 1 April 2020 | | 6,42,832 | 6,42,832 |
| Balance at 31 March 2021 | | 4,82,124 | 4,82,124 |



Notes forming part of the financial statements
(All amounts in Indian ₹, unless otherwise stated)

| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
|--|-------------------------------|-------------------------------|
| Notes No. 4 | | |
| Other Non-current financial assets | | |
| Security deposits | 9,21,216 | 9,21,216 |
| | <u>9,21,216</u> | <u>9,21,216</u> |
| Notes No. 5 | | |
| Other non-current assets | | |
| Other Advances | 32,176 | 22,198 |
| | <u>32,176</u> | <u>22,198</u> |
| Notes No. 6 | | |
| Inventories | | |
| (Valued and certified by the partners) | | |
| (At lower of cost and net realisable value, unless otherwise stated) | | |
| Raw materials | 3,95,60,646 | 2,91,93,429 |
| Finished goods | 3,57,717 | 11,38,978 |
| Work-in-progress | 31,80,571 | 21,98,967 |
| Stores & spares | 1,08,741 | 1,19,459 |
| Material in Transit (Sales) | - | 28,18,028 |
| | <u>4,32,07,675</u> | <u>3,54,68,861</u> |
| Notes No. 7 | | |
| Trade receivables | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Unsecured considered good | 5,73,89,313 | 6,73,25,122 |
| Doubtful | - | - |
| | <u>5,73,89,313</u> | <u>6,73,25,122</u> |
| Less: Provision for doubtful receivables | <u>5,73,89,313</u> | <u>6,73,25,122</u> |
| Other receivables | - | - |
| Unsecured considered good | - | - |
| | <u>5,73,89,313</u> | <u>6,73,25,122</u> |



| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
|--|-------------------------------|-------------------------------|
| Notes No. 8 | | |
| Cash and cash equivalents | | |
| - Balances with banks | | |
| On current accounts | 18,72,581 | 21,74,250 |
| | 18,72,581 | 21,74,250 |
| - Cash on hand (including imprest) | 1,03,451 | 1,11,471 |
| | <u>19,76,032</u> | <u>22,85,721</u> |
| | | |
| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
| Notes No. 9 | | |
| Other current assets | | |
| Prepaid Expenses | 5,16,511 | 5,37,660 |
| Advance to staff | 26,000 | 31,000 |
| Advances to suppliers | - | 1,98,458 |
| * Budgetary Support Receivable under GST | 14,32,587 | 1,06,12,993 |
| Interest on Security Deposit UPCL Receivable | - | 18,791 |
| IGST - Sale under G.I.T. | - | 6,75,788 |
| Income tax paid / Deducted at source (Net of provision) | 11,10,315 | 8,48,088 |
| ** Sliver coin | 14,520 | 11,520 |
| | <u>30,99,933</u> | <u>1,29,34,298</u> |
| * Budgetary support receivable for the year | - | 66,70,645 |
| ** Nos. of Sliver coin | 25 | 21 |



Notes forming part of the financial statements
(All amounts in Indian ₹, unless otherwise stated)

| | As at <u>31 March 2021</u> | | As at <u>31 March 2020</u> | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Notes No. 10 | | | | |
| Partners Capital Account | | | | |
| Smt. Suman Minda | | | | |
| Opening Balance | 2,01,91,187 | | 1,19,16,829 | |
| Profit during the year | 3,21,21,083 | | 2,93,16,187 | |
| Drawings | (3,88,06,186) | 1,35,06,083 | (2,10,41,829) | 2,01,91,187 |
| Mr. Sanjeev Garg | | | | |
| Opening Balance | 69,14,790 | | 59,30,421 | |
| Profit during the year | 1,10,00,371 | | 1,00,39,790 | |
| Drawings | (1,32,89,790) | 46,25,371 | (90,55,421) | 69,14,790 |
| Minda Industries Limited | | | | |
| Opening Balance | 2,82,12,344 | | 2,41,96,116 | |
| Profit during the year | 4,48,81,513 | | 4,09,62,343 | |
| Drawings | (5,42,22,344) | 1,88,71,512 | (3,69,46,116) | 2,82,12,344 |
| | | <u>3,70,02,966</u> | | <u>5,53,18,320</u> |
| | | | | |
| | | As at <u>31 March 2021</u> | | As at <u>31 March 2020</u> |
| Notes No. 11 | | | | |
| Long-term provisions | | | | |
| Provision for employee benefits | | | | |
| Gratuity | | 40,40,303 | | 30,85,646 |
| Compensated absences | | 15,78,189 | | 11,25,707 |
| | | <u>56,18,492</u> | | <u>42,11,353</u> |
| | | | | |
| | | As at <u>31 March 2021</u> | | As at <u>31 March 2020</u> |
| Notes No. 12 | | | | |
| Trade payables | | | | |
| Trade payables | | 7,28,79,306 | | 7,35,33,701 |
| | | <u>7,28,79,306</u> | | <u>7,35,33,701</u> |



| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
|--|-------------------------------|-------------------------------|
| Notes No. 13 | | |
| Other financial liabilities | | |
| Others | | |
| - Payable to employees | 29,70,938 | 12,35,148 |
| - Payable to others | 2,25,620 | 2,77,062 |
| | <u>31,96,558</u> | <u>15,12,210</u> |
| | | |
| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
| Notes No. 14 | | |
| Other current liabilities | | |
| Statutory dues | | |
| | 23,03,348 | 18,21,711 |
| | <u>23,03,348</u> | <u>18,21,711</u> |
| | | |
| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
| Notes No. 15 | | |
| Short-term provisions | | |
| Provision for employee benefits | | |
| Gratuity | 60,129 | 8,014 |
| Compensated absences | 5,01,502 | 7,48,645 |
| Others | | |
| Provision for warranty | - | 11,51,000 |
| | <u>5,61,631</u> | <u>19,07,659</u> |
| | | |
| | As at <u>31 March 2021</u> | As at <u>31 March 2020</u> |
| Notes No. 16 | | |
| Current tax liabilities (net) | | |
| Provision for Income Tax (net of advance income tax) | | |
| | 40,51,169 | - |
| | <u>40,51,169</u> | <u>-</u> |



Notes forming part of the financial statements
(All amounts in Indian ₹, unless otherwise stated)

| | Year ended 31 March 2021 | Year ended 31 March 2020 |
|--|-----------------------------|-----------------------------|
| Notes No. 17 | | |
| Revenue from operations | | |
| Sale of products | | |
| Finished goods | 72,13,85,039 | 66,32,94,505 |
| | <u>72,13,85,039</u> | <u>66,32,94,505</u> |
| Notes No. 18 | | |
| Other income | | |
| Interest received from UPCL | 14,937 | 20,879 |
| Budgetary support from GST | - | 66,70,645 |
| Excess provision written back | 11,61,633 | - |
| | <u>11,76,570</u> | <u>66,91,524</u> |
| Notes No. 19 | | |
| Cost of materials consumed | | |
| Raw materials (including purchased components and packing material consumed) | | |
| Opening inventories | 2,91,93,429 | 2,58,96,833 |
| Purchases | 49,73,77,661 | 45,99,46,440 |
| Closing inventories | (3,95,60,646) | (2,91,93,429) |
| | <u>48,70,10,444</u> | <u>45,66,49,844</u> |
| Notes No. 20 | | |
| Changes in inventories of finished goods, work in progress and stock in trade | | |
| Inventories at the end of the Year : | | |
| Work-in-progress | 31,80,571 | 21,98,967 |
| Finished goods (other than those acquired for trading) | 3,57,717 | 11,38,978 |
| Finished goods (Material in transit) | - | 28,18,028 |
| | <u>35,38,288</u> | <u>61,55,973</u> |
| Inventories at the beginning of the Year : | | |
| Work-in-progress | 21,98,967 | 17,99,788 |
| Finished goods (other than those acquired for trading) | 11,38,978 | 2,61,513 |
| Finished goods (Material in transit) | 28,18,028 | - |
| | <u>61,55,973</u> | <u>20,61,301</u> |
| Net (increase) / decrease in stocks | <u>26,17,685</u> | <u>(40,94,672)</u> |
| Notes No. 21 | | |
| Employee benefits expense | | |
| Salaries, wages and bonus | 5,18,65,267 | 4,89,13,477 |
| Leave Encashment | 3,06,439 | 7,95,558 |
| Gratuity | 10,06,772 | 12,82,191 |
| Contribution to provident and other funds | 14,54,531 | 14,82,955 |
| Contribution to Employees' State Insurance Scheme | 3,94,733 | 4,35,688 |
| Staff welfare expense | 11,61,373 | 12,38,828 |
| Recruitment Expenses | - | 6,081 |
| | <u>5,61,89,115</u> | <u>5,41,54,778</u> |



| | <u>Year ended</u> <u>31 March 2021</u> | <u>Year ended</u> <u>31 March 2020</u> |
|---|---|---|
| Notes No. 22 | | |
| Finance costs | | |
| Bank Charges | 3,607 | 1,248 |
| Interest on income tax | 1,00,313 | 47,161 |
| Interest on GST | 868 | - |
| | <u>1,04,788</u> | <u>48,409</u> |
| Notes No. 23 | | |
| Depreciation and amortisation | | |
| Depreciation on tangible fixed assets | 36,04,522 | 37,14,910 |
| Depreciation on intangible fixed assets | 1,60,708 | 2,14,277 |
| | <u>37,65,230</u> | <u>39,29,187</u> |
| Notes No. 24 | | |
| Other expenses | | |
| Power and Fuel | 27,66,191 | 27,69,423 |
| Consumption of Stores and Spares | 1,78,05,638 | 1,60,49,601 |
| Rent | 17,01,000 | 17,85,000 |
| Fee & subscription | 84,662 | 84,415 |
| * Payments to the auditors | 1,75,000 | 1,31,250 |
| Printing and Stationery | 1,63,701 | 1,87,524 |
| Communication | 1,50,152 | 1,93,887 |
| Travelling and Conveyance | 1,87,940 | 3,84,153 |
| Legal and Professional | 3,75,505 | 3,57,697 |
| Partner salary | 13,75,000 | 15,00,000 |
| Books and Periodicals | 1,690 | 4,085 |
| Repairs : | | |
| - Machinery | 6,41,289 | 7,30,085 |
| - Others | 2,66,924 | 2,44,161 |
| Guest House Expenses | 80,519 | 1,09,896 |
| Packing and forwarding | 31,53,494 | 30,12,826 |
| General Expense | 2,61,031 | 2,74,169 |
| Insurance | 5,97,238 | 4,37,939 |
| Sales/Business Promotion | 83,887 | 45,995 |
| Royalty | 64,44,718 | 57,88,428 |
| Security Expenses | 4,53,760 | 4,28,100 |
| Warranty Rejection Expenses | 85,325 | 2,56,405 |
| Charity and Donation | - | 50,000 |
| Rates and Fee | - | 1,000 |
| Sales Tax / GST Expenses | 33,204 | - |
| Excess Provision written off | - | 1,855 |
| | <u>3,68,87,868</u> | <u>3,48,27,894</u> |
| Note: | | |
| * Payments to the auditors | 1,75,000 | 1,31,250 |



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

25 Capital and other commitments (net of advance)

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2021 aggregates to INR Nil.

26 Disclosure pursuant to Ind AS 19 on "Employee Benefits"**Defined benefit plans**

Gratuity is payable to all eligible employees of the Company on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks

Gratuity**(i) Changes in present value of obligation:**

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---|----------------------------------|----------------------------------|
| Present value of obligation as at the beginning of the year | 30,93,660 | 18,11,469 |
| Acquisition adjustment | | |
| Interest cost | 2,11,765 | 1,39,780 |
| Current service cost | 9,16,748 | 7,87,879 |
| Curtailment cost/(credit) | | |
| Benefits paid | - | - |
| Actuarial (gain)/loss on obligation | (1,21,741) | 3,54,532 |
| Present value of obligation as at the end of year | 41,00,432 | 30,93,660 |
| - Long term | 40,40,303 | 30,85,646 |
| - Short term | 60,129 | 8,014 |

(ii) The amounts recognized in the Balance Sheet are as follows:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---------------------|---------------------|
| Present value of obligation as at the end of the year | 41,00,432 | 30,93,660 |
| Fair value of plan assets as at the end of the year | | |
| unfunded status | | |
| Net asset/(liability) recognized in balance sheet | 41,00,432 | 30,93,660 |

(iii) Expenses recognized in the Statement of Profit and Loss:

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|--|----------------------------------|----------------------------------|
| Current service cost | 9,16,748 | 7,87,879 |
| Interest cost | 2,11,765 | 1,39,780 |
| Expected return on plan assets | | |
| Net actuarial (gain)/ loss recognized in the year | - | - |
| Expenses recognized in the Consolidated Statement of Profit and Loss | 11,28,513 | 9,27,659 |



(iv) Re-measurements recognised in other Comprehensive Income (OCI):

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---|----------------------------------|----------------------------------|
| Changes in Financial Assumption | 54,830 | 3,45,412 |
| Changes in Demographic Assumption | - | - |
| Experience Adjustments | (1,76,571) | 9,120 |
| Actual return on plan assets less interest on plan assets | - | - |
| Amount recognized in other Comprehensive Income (OCI) | (1,21,741) | 3,54,532 |

(v) Maturity profile of defined benefit obligation:

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|------------------------|----------------------------------|----------------------------------|
| Within next 12 Months | 60,129 | 8,014 |
| Between 2 and 5 years | 7,22,473 | 3,40,313 |
| Between 6 and 10 years | 15,75,798 | 13,74,667 |
| 10 years and above | 96,18,629 | 79,94,539 |

(vi) Principal actuarial assumptions at the balance sheet date are as follows:**a) Financial assumptions:**

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------|---------------------|---------------------|
| Discount rate | 6.80% | 6.85% |
| Future salary increase | 8.00% | 8.00% |

b) Demographic assumptions:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---------------------------|---------------------|---------------------|
| i) Retirement Age (Years) | 58 | 58 |
| ii) Mortality Table | 100% | 100% |
| iii) Ages | | |
| Up to 30 years | 3% | 3% |
| From 31 to 44 years | 2% | 2% |
| Above 45 years | 1% | 1% |

(vii) Sensitivity analysis for significant assumptions:*

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---------------------------------------|----------------------------------|----------------------------------|
| 1% increase in discount rate | 35,97,135 | 26,93,960 |
| 1% decrease in discount rate | 47,05,322 | 35,76,719 |
| 1% increase in salary escalation rate | 46,91,651 | 35,66,257 |
| 1% decrease in salary escalation rate | 35,98,209 | 26,94,470 |
| 1% increase in withdrawal rate | 40,49,872 | 30,33,722 |
| 1% decrease in withdrawal rate | 41,56,076 | 31,57,859 |
| 1% increase in mortality rate | 40,98,944 | 30,92,592 |
| 1% decrease in mortality rate | 41,01,925 | 30,94,732 |

(viii) Enterprise best estimate of contribution during the next year is

| Particulars | Amount |
|-------------|--------|
| Gratuity* | - |

*Since the scheme is managed on unfunded basis, the next year contribution is taken as NIL.



Leave Encashment

(i) Changes in present value of obligation:

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---|----------------------------------|----------------------------------|
| Present value of obligation as at the beginning of the year | 18,74,352 | 15,01,066 |
| Acquisition adjustment | | |
| Interest cost | | |
| Current service cost | 3,06,439 | 7,95,558 |
| Curtailement cost/(credit) | | |
| Benefits paid | (1,01,100) | (4,22,272) |
| Actuarial (gain)/loss on obligation | | |
| Present value of obligation as at the end of year | 20,79,691 | 18,74,352 |
| - Long term | 15,78,189 | 11,25,707 |
| - Short term | 5,01,502 | 7,48,645 |

(ii) The amounts recognized in the Balance Sheet are as follows:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|---------------------|---------------------|
| Present value of obligation as at the end of the year | 20,79,691 | 18,74,352 |
| Fair value of plan assets as at the end of the year unfunded status | | |
| Net asset/(liability) recognized in balance sheet | 20,79,691 | 18,74,352 |

(iii) Expenses recognized in the Statement of Profit and Loss:

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|--|----------------------------------|----------------------------------|
| Current service cost | 3,06,439 | 7,95,558 |
| Interest cost | - | - |
| Expected return on plan assets | - | - |
| Net actuarial (gain)/ loss recognized in the year | - | - |
| Expenses recognized in the Consolidated Statement of Profit and Loss | 3,06,439 | 7,95,558 |

(iv) Re-measurements recognised in other Comprehensive Income (OCI):

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---|----------------------------------|----------------------------------|
| Changes in Financial Assumption | - | - |
| Changes in Demographic Assumption | - | - |
| Experience Adjustments | - | - |
| Actual return on plan assets less interest on plan assets | - | - |
| Amount recognized in other Comprehensive Income (OCI) | - | - |

(v) Maturity profile of defined benefit obligation:

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|------------------------|----------------------------------|----------------------------------|
| Within next 12 Months | 5,01,502 | 7,48,645 |
| Between 2 and 5 years | 2,71,235 | 1,18,611 |
| Between 6 and 10 years | 5,81,682 | 4,47,798 |
| 10 years and above | 40,01,415 | 28,84,867 |

(vi) Principal actuarial assumptions at the balance sheet date are as follows:

a) Financial assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------|---------------------|---------------------|
| Discount rate | 6.80% | 6.85% |
| Future salary increase | 8.00% | 8.00% |



b) Demographic assumptions:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| i) Retirement Age (Years) | 58 | 58 |
| ii) Mortality Table | 100% | 100% |
| iii) Ages | | |
| Up to 30 years | 3% | 3% |
| From 31 to 44 years | 2% | 2% |
| Above 44 years | 1% | 1% |
| Rate of Leave Availment (per annum) | 100% | 100% |
| Rate of Leave Encashment during employment (per annum) | 0% | 0% |

(vii) Sensitivity analysis for significant assumptions:*

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

| Particulars | For the Year ended 31 March 2021 | For the Year ended 31 March 2020 |
|---------------------------------------|----------------------------------|----------------------------------|
| 1% increase in discount rate | 18,77,581 | 17,30,386 |
| 1% decrease in discount rate | 23,23,693 | 20,47,513 |
| 1% increase in salary escalation rate | 23,18,289 | 20,43,772 |
| 1% decrease in salary escalation rate | 18,77,925 | 17,30,570 |
| 1% increase in withdrawal rate | 20,63,138 | 18,63,488 |
| 1% decrease in withdrawal rate | 20,98,300 | 18,86,544 |
| 1% increase in mortality rate | 20,79,110 | 18,73,956 |
| 1% decrease in mortality rate | 20,80,275 | 18,74,749 |

(viii) Enterprise best estimate of contribution during the next year is

| Particulars | Amount |
|-------------------|--------|
| Leave Encashment* | - |

*Since the scheme is managed on unfunded basis, the next year contribution is taken as NIL.

27 Provision for Contingencies

(i) Warranty

The following disclosures have been made in accordance with the provisions of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Assets

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|-------------------------------------|---------------------|---------------------|
| Balance as at beginning of the year | 11,51,000 | 9,06,000 |
| Add: Provision made during the year | - | 11,51,000 |
| Less: Utilized during the year | - | (9,06,000) |
| Written back during the year | (11,51,000) | - |
| Balance as at Closing of the year | - | 11,51,000 |

(ii) Income Tax Demand

Income Tax Demand amounting to Rs. 2,37,80,905/- has been raised by the Asst. Commissioner of Income Tax pursuant to scrutiny assesment of financial year 2016-17. The firm has filed appeal before the Commissioner (Appeals) on 15-01-2020.



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Notes forming part of the financial statements for the year ended 31 March 2021
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28 Financial Risk Management Objectives (Ind AS 107)

The Partnership firm, as an active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Firm's decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Firm is exposed to and how it manages the risks:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at March 31 2021. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Firm's exposure to the risk of changes in foreign exchange rates relates primarily to the Firm's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currencies as well as in foreign currency. The Company has foreign



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Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

(ii) Interest Rate risk

N.A.

(iii) Other price risks

Fluctuation in commodity price affects directly and indirectly the price of raw material and components used by the Firm in its various products. Substantial pricing pressure from markets to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Firm.

b) Liquidity Risk

Liquidity risk is the risk that the Firm may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Firm's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Firm closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Firm's financial liabilities based on contractual undiscounted payments.

| As at March 31, 2021 | On demand | Less than 3 months | 3 to 12 months | 1-5 Years | More than 5 Years | Total |
|-----------------------------|-----------|--------------------|----------------|-----------|-------------------|-------|
| Trade payable | | 7,31,04,548 | - | | | |
| Other financial liabilities | | 19,10,568 | 10,60,370 | | | |
| As at March 31, 2020 | | | | | | |
| Trade payable | | 7,38,10,763 | - | | | |
| Other financial liabilities | | 2,14,905 | 10,20,243 | | | |

c) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Firm is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by Firm subject to the Firm's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The table below summarises the ageing bracket of trade receivables.

| Particulars | Gross carrying amount | |
|----------------------------|-----------------------|-------------|
| | 31-Mar-21 | 31-Mar-20 |
| Current (not past due) | 5,69,58,234 | 5,33,51,989 |
| 1-30 days past due | 3,17,830 | 1,36,44,070 |
| 31-60 days past due | 1,12,598 | 1,14,608 |
| 61-90 days past due | 449 | 1,34,804 |
| More than 90 days past due | 202 | 79,651 |

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Firm's treasury department in accordance with the Firm's policy. Investments of surplus funds are made in bank deposits and other risk free securities. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Firm.



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Notes forming part of the financial statements for the year ended 31 March 2021
(All amounts in ₹, unless otherwise stated)

29. Related Party Disclosures

(a) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Nature of related party transaction

Name of related party

Key management personnel

Minda Industries Ltd.
Ms. Suman Minda
Mr. Sanjeev Garg

Other entities over which key management personnel and their relatives
are able to exercise significant influence

Auto Components
Samaira Engineering
S.M. Auto Industries
Minda Distribution & Services Limited
Minda Industries Limited



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

(b) Details of related parties with whom transactions / balances exceed 10% of the class of transaction:

| Related party | Nature of transaction | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|-------------------------------------|-----------------------|----------------------------------|----------------------------------|
| Transactions during the year | | | |
| Minda Industries Ltd. | Sales | 51,45,08,944 | - |
| Minda Industries Ltd. | Royalty paid | 64,44,718 | 57,88,428 |
| Minda Distribution & Services Ltd. | Sales | 14,28,69,721 | 60,97,28,865 |

| Related party | Nature of transaction | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|------------------------------------|---------------------------|----------------------------------|----------------------------------|
| Balance as at year end | | | |
| Auto Components | Sales | - | 16,178 |
| Samaira Engineering | Sales | 40,68,050 | 48,48,073 |
| S.M. Auto Industries | Sales & Purchase | 15,41,431 | (13,73,926) |
| Minda Distribution & Services Ltd. | Sales | - | 6,12,61,840 |
| Minda Industries Ltd. | Sales, purchase & royalty | 5,17,99,367 | (8,29,173) |

Nil in previous year column represent Nil or transaction less than 10% of the class of transaction.

* Excluding taxes.

(c) Key managerial personnel compensation

| Particulars | 31-Mar-21 | 31-Mar-20 |
|---|------------------|------------------|
| Short term employee benefits (Partner salary) | 13,75,000 | 15,00,000 |
| Total compensation | 13,75,000 | 15,00,000 |



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

(d) Transactions / balances with related parties

| (a) Summary of transactions / balances with related parties | Entities over which key management personnel and their relatives are able to exercise significant influence | | Minda Industries Limited | |
|---|---|----------------|--------------------------|----------------|
| | 31-Mar 2021 | 31-Mar 2020 | 31-Mar 2021 | 31-Mar 2020 |
| Transactions during the year | | | | |
| Sale of goods | 16,57,16,116 | 63,14,04,627 | 51,45,08,944 | 33,02,980 |
| Purchase of goods | 1,54,28,390 | 1,51,51,209 | 59,147 | 2,20,155 |
| Royalty paid | - | - | 64,44,718 | 57,88,428 |

| <u>Sales of Goods</u> | | | | |
|---------------------------------------|---------------------|---------------------|--|--|
| Auto Component | 2,74,664 | 1,29,239 | | |
| Samaira Engineering | 2,18,77,882 | 2,13,52,471 | | |
| S.M. Auto Industries | 6,93,849 | 81,052 | | |
| S.M. Auto Industries (Fixed Assets) | - | 1,13,000 | | |
| Minda Distribution & Services Limited | 14,28,69,721 | 60,97,28,865 | | |
| | 16,57,16,116 | 63,14,04,627 | | |

| <u>Purchase of Goods</u> | | | | |
|-------------------------------------|--------------------|--------------------|--|--|
| Samaira Engineering | 44,200 | - | | |
| S.M. Auto Industries | 1,31,44,407 | 1,21,31,554 | | |
| S.M. Auto Industries (Job work) | 22,39,783 | 22,94,655 | | |
| S.M. Auto Industries (Fixed Assets) | - | 7,25,000 | | |
| | 1,54,28,390 | 1,51,51,209 | | |



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

| (a) Summary of balances with related parties | Entities over which key management personnel and their relatives are able to exercise significant influence | | Key management personnel and relatives | |
|--|---|----------------|--|----------------|
| | 31-Mar 2021 | 31-Mar 2020 | 31-Mar 2021 | 31-Mar 2020 |
| Balance outstanding-Receiveable/(payable) | 56,09,481 | 6,47,52,165 | 5,17,99,367 | (8,29,173) |



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

30 Capital management

The Firm's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Firm monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Firm's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

| | March 31, 2021 |
|--------------------|----------------|
| Net Debt | - |
| EBITDA | 13,98,56,497 |
| Net Debt to EBITDA | - |



YA Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2021

(All amounts in ₹, unless otherwise stated)

31 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Firm's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Category | As at 31st March, 2021 | | As at 31st March, 2020 | |
|---|------------------------|--------------------|------------------------|--------------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| 1) Financial assets at amortized cost | | | | |
| Trade receivables (current / non current) | 5,73,89,313 | 5,73,89,313 | 6,73,25,122 | 6,73,25,122 |
| Cash and cash equivalents | 19,76,032 | 19,76,032 | 22,85,721 | 22,85,721 |
| Security deposit (current / non current) | 9,21,216 | 9,21,216 | 9,21,216 | 9,21,216 |
| Total | 6,02,86,561 | 6,02,86,561 | 7,05,32,059 | 7,05,32,059 |
| 2) Financial Liabilities at amortized cost | | | | |
| Trade payables | 7,28,79,306 | 7,28,79,306 | 7,38,10,763 | 7,38,10,763 |
| Other financial liabilities (current / non current) | 31,96,558 | 31,96,558 | 12,35,148 | 12,35,148 |
| Total | 7,60,75,864 | 7,60,75,864 | 7,50,45,911 | 7,50,45,911 |

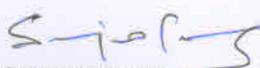
* Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables and Interest accrued on borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

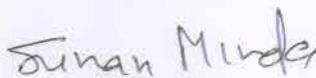
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

For AJH & Co.
Chartered Accountants
Firm Registration No. 005302N

Ajay Jain, FCA
Partner
Membership No. 084096




SANJEEV GARG
PARTNER


SUMAN MINDA
PARTNER

Place : Delhi

Date : 09-06-2021

UDIN : 21084096AAAA BZ3176