

S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

1. Firm's information

S M Auto Industries is a partnership firm formed through partnership deed dated 1st July, 2009.

Share of profit/loss of the partners of the firm is as under :-

	From 01-04-2022 to 30-06-2022	From 01-07-2022 to 31-03-2023
Name of partners		
Uno Minda Limited	87.50%	87.50%
APJ Investments Private Limited	-	12.00%
Mr. Puneet Kumar Jakhodia	-	0.50%
Mr. Sanjeev Garg	12.50%	-

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 financials 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:

- (a) expected to be realised in, or is intended to be sold or consumed in normal operating cycle;



S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months after the reporting date; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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.



S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

iv. Depreciation

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

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.



S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(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.



S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(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.



S M Auto Industries

Notes forming part of the financial statements for the year ended 31 March 2023

(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




Alok Sharma
Partner on behalf of
Uno Minda Limited


Puneet Kumar Jakhdoia
Partner

Place : Delhi

Date : 30-04-2023

UDIN : 23084096BGNMSI1415

S M AUTO INDUSTRIES

Balance Sheet as at 31st March, 2023

(All amounts in Indian ₹, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Non-Current Assets			
Property, plant and equipment and capital work-in-progress			
Property, Plant and Equipment	3A	-	7,221,654
Financial Assets			
(i) Other Non Current Financial Assets	4	-	558,301
Total Non-Current Assets		-	7,779,955
2 Current Assets			
a) Inventories	5	-	19,930,571
b) Financial Assets			
(i) Trade Receivables	6	19,297,431	23,013,915
(ii) Cash and Cash Equivalents	7	7,663,496	4,256,283
c) Other Current Assets	8	849,791	6,455,866
Total Current Assets		27,810,718	53,656,635
Total Assets		27,810,718	61,436,590
EQUITY AND LIABILITIES			
Equity			
Partners' Capital	9	20,419,684	41,414,857
Total Equity		20,419,684	41,414,857
Liabilities			
1 Non-Current Liabilities			
Long-Term Provisions	10	-	2,324,556
Total Non-Current Liabilities		-	2,324,556
2 Current Liabilities			
a) Financial Liabilities			
(i) Trade Payables	11	606,910	13,446,966
(ii) Other Financial Liabilities	12	280,498	794,641
b) Other Current Liabilities	13	6,503,626	2,753,739
c) Short-Term Provisions	14	-	133,795
d) Current Tax Liabilities (Net)	15	-	568,036
Total Current Liabilities		7,391,034	17,697,177
Total Equity and Liabilities		27,810,718	61,436,590

Significant accounting policies

The accompanying notes form an integral part of the financial statements

1-2

In terms of our report attached

For AJH & Co.

Chartered Accountants

Firm Registration No: 005302N

Ajay Jain

Partner

Membership No. 084096



(Signature)
Atok Sharma

On behalf of Partner
Uno Minda Limited

(Signature)
Puneet Kumar
Jakhodia
Partner

Place : Delhi

Date : 30-04-2023

UDIN : 23084096 BGWMSI1415

(Handwritten mark)

S M AUTO INDUSTRIES

Statement of Profit and Loss for the Period Ended 31st March-2023

(All amounts in Indian ₹, unless otherwise stated)

	Note	Year Ended 31 March 2023	Year Ended 31 March 2022
TOTAL INCOME			
I) Revenue from Operations	16	187,646,123	209,728,753
II) Other Income	17	561,936	4,746,070
III) Total Income		188,208,059	214,474,823
IV) EXPENSES			
Cost of Material Consumed	18	151,731,447	161,060,510
Changes in inventory of-finished goods and work-in-progress	19	-	-
Employee Benefit Expenses	20	9,965,006	12,668,435
Finance Costs	21	1,924,334	230,664
Depreciation and Amortization	22	-	1,761,190
Other Expenses	23	10,346,484	13,123,956
Total Expenses (IV)		173,967,271	188,844,755
Profit for the Year Before Tax		14,240,788	25,630,068
Income Tax Expense			
Current Tax		5,155,000	8,998,000
Short/(Excess) Provision for Income Tax		84,429	13,573
Profit For The Year After Tax		9,001,359	16,618,495
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		-	282,357
Total Other Comprehensive Income		-	282,357
Total Comprehensive Income For The Year		9,001,359	16,900,852

Significant accounting policies

1-2

The accompanying notes from 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



Alok Sharma

Alok Sharma

On behalf of Partner
Uno Minda Limited

Puneet Kumar

Jakhodia

Partner

Place : Delhi

Date : 30-04-2023

UDIN : 23084096 BGWMSE1415

S M AUTO INDUSTRIES

Cash Flow Statement for the Period Ended 31st March 2023

(All amounts in Indian ₹, unless otherwise stated)

	Year Ended 31 March 2023	Year Ended 31 March 2022
Cash flows from operating activities :		
Profit before tax	14,240,788	25,630,068
Adjustments for :		
Depreciation and amortisation	-	1,761,190
Finance Costs	1,924,334	230,664
Interest Income	-	(8,494)
Other comprehensive income	-	282,357
	1,924,334	2,265,717
A. Operating profit before working capital changes	16,165,122	27,895,785
Adjustments for working capital changes :		
(Increase)/decrease in other non current financial assets	558,301	-
(Increase)/ decrease in inventories	19,930,571	12,806,673
(Increase)/ decrease in trade and other receivables	3,716,484	3,394,724
(Increase)/ decrease in other assets	5,606,075	(5,517,951)
Increase in trade payables	(12,840,056)	(16,150,945)
Increase/(decrease) in short-term provisions	(133,795)	(491,276)
Increase/(decrease) in other current liabilities	3,181,851	2,410,698
Increase in long-term provisions	(2,324,556)	115,709
	17,180,732	(3,432,368)
Cash generated from operations	33,345,854	24,463,417
Income tax paid	(5,239,429)	(9,160,733)
Net Cash flows from operating activities (A)	28,106,425	15,302,684
B. Cash flows from investing activities		
Purchase of property, plant & equipment	(1,475,000)	(1,596,044)
Proceeds from sale of fixed assets	8,696,654	81,745
Net cash used in investing activities (B)	7,221,654	(1,514,299)
C. Cash flows from financing activities		
Share capital of partners - Additions / withdrawal	(29,996,532)	(10,000,000)
Finance cost	(1,924,334)	(230,664)
Interest received on fixed deposits	-	8,494
Net cash used in financing activities (C)	(31,920,866)	(10,222,170)
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	3,407,213	3,566,215
Cash and Bank equivalents as at opening	4,256,283	690,068
Cash and cash equivalents as at closing	7,663,496	4,256,283
Cash equivalents as at Closing	43,211	28,204
Balances with banks:		
- on current accounts	7,620,285	4,228,079
Cash and cash equivalents at the end of the year	7,663,496	4,256,283

Significant accounting policies

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

Place : Delhi

Date : 30-04-2023

UDIN- 2308409036941MSI1415



Alok Sharma

On behalf of Partner
Uno Minda Limited

Puneet Kumar
Jakhodia
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

	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computers	Total (A)
Cost or deemed cost (gross carrying amount)					
Balance at 1 April 2021	19,132,854	826,685	489,345	625,652	21,074,536
Additions	1,596,044	-	-	-	1,596,044
Deductions/ Adjustments	81,745	-	-	-	81,745
Balance at 31 March 2022	20,647,153	826,685	489,345	625,652	22,588,835
Balance at 1 April 2022	20,647,153	826,685	489,345	625,652	22,588,835
Additions	1,475,000	-	-	-	1,475,000
Deductions/ Adjustments	8,209,615	262,978	194,518	29,543	8,696,654
Balance at 31 Mar 2023	13,912,538	563,707	294,827	596,109	15,367,181
Accumulated depreciation and impairment losses					
Balance at 1 April 2021	12,234,590	534,487	260,500	576,414	13,605,991
Depreciation for the year	1,677,948	29,220	34,327	19,695	1,761,190
Disposals	-	-	-	-	-
Balance at 31 March 2022	13,912,538	563,707	294,827	596,109	15,367,181
Balance at 1 April 2022	13,912,538	563,707	294,827	596,109	15,367,181
Depreciation for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at 31 Mar 2023	13,912,538	563,707	294,827	596,109	15,367,181
Carrying amounts (net)					
At 1 April 2021	6,898,264	292,198	228,845	49,238	7,468,545
At 31 March 2022	6,734,615	262,978	194,518	29,543	7,221,654
Balance at 31 Mar 2023	-	-	-	-	-



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

	As at 31 March 2023	As at 31 March 2022
Notes No. 4		
Other Non-Current Financial Assets		
Security Deposits	-	558,301
	-	558,301
Notes No. 5	As at 31 March 2023	As at 31 March 2022
Inventories		
(Valued and certified by the partners)		
(At lower of cost and net realisable value, unless otherwise stated)		
Raw Materials	-	19,465,766
Stores & Spares	-	464,805
	-	19,930,571
Notes No. 6	As at 31 March 2023	As at 31 March 2022
Trade Receivables		
(Unsecured, considered good unless otherwise stated)		
Less than 6 months	19,297,431	23,013,915
More than 6 months	-	-
	19,297,431	23,013,915



Annexure to Note no. 6
Trade receivables Ageing Schedule
As at 31st March 2023

1 Debtors ageing from Due date of invoice:

1 (a)	Particulars	Outstanding for following periods from due date of payment 31st March-23					
		Not Due	Less than 6 months	6 months -1 year	1-3 years	More than 3 years	Total
	(i) Undisputed Trade receivables – considered good	2,184,757	17,112,674	-	-	-	19,297,431
	(ii) Provision for doubtful debt of Undisputed Trade Receivables	-	-	-	-	-	-
	(iii) Bad Debt of Undisputed Trade Receivables	-	-	-	-	-	-
	(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
	(v) Provision for doubtful debt of Disputed Trade Receivables	-	-	-	-	-	-
	(vi) Bad Debt of Disputed Trade Receivables	-	-	-	-	-	-

As at 31 March 2022

1 (b)	Particulars	Outstanding for following periods from due date of payment -31st Mar-22					
		Not Due	Less than 6 months	6 months -1 year	1-3 years	More than 3 years	Total
	(i) Undisputed Trade receivables – considered good	21,907,821	1,106,094	-	-	-	23,013,915
	(ii) Provision for doubtful debt of Undisputed Trade Receivables	-	-	-	-	-	-
	(iii) Bad Debt of Undisputed Trade Receivables	-	-	-	-	-	-
	(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
	(v) Provision for doubtful debt of Disputed Trade Receivables	-	-	-	-	-	-
	(vi) Bad Debt of Disputed Trade Receivables	-	-	-	-	-	-



	As at 31 March 2023	As at 31 March 2022
Notes No. 7		
Cash and cash equivalents		
- Balances with banks		
On current account with HDFC Bank Ltd	183,183	4,228,079
On current account with Axis Bank Ltd	7,437,102	-
	7,620,285	4,228,079
- Cash on hand	43,211	28,204
	7,663,496	4,256,283
	As at 31 March 2023	As at 31 March 2022
Notes No. 8		
Other Current Assets		
Prepaid Expenses	-	119,984
Advance to staff	-	16,000
Advances to Suppliers	-	5,981,794
Export Incentive Receivable	-	88,692
Income Tax paid (net of advance income tax)	603,145	-
GST Receivable	-	212,511
Security Deposits UPCL	208,301	-
Silver Coin*	38,345	36,885
	849,791	6,455,866
* No. of Silver Coins	63	61



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

	As at		As at
	31 March 2023		31 March 2022
Notes No. 9			
Partner's Capital Account			
Smt. Suman Minda			
Opening Balance	-	19,701,040	
Profit for the year	-	5,748,358	
Drawings	-	(25,449,398)	-
Sh. Sanjeev Garg			
Opening Balance	4,648,389	4,285,783	
Addition	-	299,999	
Profit during the period/year	530,690	2,112,607	
Drawings	(5,179,079)	(2,049,999)	4,648,390
Smt. Paridhi Minda			
Opening Balance	-	10,527,182	
Profit during the period	-	4,311,268	
Drawings	-	(14,838,450)	-
UNO Minda Limited			
Opening Balance	36,766,468	-	
Addition	-	32,037,848	
Profit during the year/ period	7,876,189	4,728,620	
Drawings	(26,700,000)	17,942,657	36,766,468
APJ Investments Pvt Ltd			
Opening Balance	-	-	
Addition	4,879,245	-	
Profit during the period	570,701	-	
Drawings	(3,000,000)	2,449,946	-
Sh. Puneet Kumar Jakhodia			
Opening Balance	-	-	
Addition	203,302	-	
Profit during the period	23,779	-	
Drawings	(200,000)	27,081	-
	20,419,684	41,414,857	
	As at	As at	
	31 March 2023	31 March 2022	
Notes No. 10			
Long-Term Provisions			
Provision For Employee Benefits			
Gratuity	-	1,833,075	
Compensated Absences	-	491,481	
	-	2,324,556	
	As at	As at	
	31 March 2023	31 March 2022	
Notes No. 11			
Trade Payables			
Less than 6 months	606,910	13,446,966	
More than 6 months	-	-	
	606,910	13,446,966	



S.M. AUTO INDUSTRIES**FY 2022-23****Annexure to Note no. 11****Trade payables Ageing Schedule****As at 31st March 2023**

2 Ageing of Trade Payable from the due date of invoice:

a)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	606,910	-	-	-	606,910
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31 March 2022

b)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	13,446,966	-	-	-	13,446,966
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



	As at 31 March 2023	As at 31 March 2022
Notes No. 12		
Other financial liabilities		
Payable to Employees	278,988	706,142
Expenses Payable	1,510	88,499
	<u>280,498</u>	<u>794,641</u>
	As at 31 March 2023	As at 31 March 2022
Notes No. 13		
Other Current Liabilities		
Statutory Dues	6,503,626	2,753,739
	<u>6,503,626</u>	<u>2,753,739</u>
	As at 31 March 2023	As at 31 March 2022
Notes No. 14		
Short-Term Provisions		
Provision For Employee Benefits		
Gratuity	-	108,082
Compensated Absences	-	25,713
	<u>-</u>	<u>133,795</u>
	As at 31 March 2023	As at 31 March 2022
Notes No. 15		
Current Tax Liabilities (Net)		
Provision for Income Tax (net of advance income tax)	-	568,036
	<u>-</u>	<u>568,036</u>



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

	For the Year ended 31 March 2023	for the Year Ended 31 March 2022
Notes No. 16 Revenue From Operations		
Sale of Products		
Finished Goods	184,916,783	204,359,839
Scrap	1,001,601	1,099,248
Sale of Services	1,727,739	4,269,666
	187,646,123	209,728,753
Notes No. 17 Other Income		
Interest Received from UPCL	-	8,494
Export Incentive	-	88,692
Provision for Bad debts written back	-	507,865
Insurance Claim received	-	4,132,518
Amount written off / back	-	8,501
Provision for Gratuity/ Earned leaves written back	561,936	-
	561,936	4,746,070
Notes No. 18 Cost of Materials Consumed		
Raw materials (including purchased components and packing material consumed)		
Opening Inventories	19,465,766	31,880,050
Purchases	132,265,681	148,646,226
Closing Inventories	-	(19,465,766)
	151,731,447	161,060,510
Notes No. 19 Changes in inventories of finished goods, work in progress and stock in trade		
Inventories at the end of the Year :		
Work-in-progress	-	-
Finished goods (other than those acquired for trading)	-	-
Finished goods (Material in transit)	-	-
Inventories at the beginning of the Year :		
Work-in-progress	-	-
Finished goods (other than those acquired for trading)	-	-
Finished goods (Material in transit)	-	-
Net (increase) / decrease in stocks	-	-
Notes No. 20 Employee Benefit Expenses		
Salaries, Wages and Bonus	9,284,106	11,355,584
Leave Encashment	-	87,713
Gratuity	-	413,391
Contribution to provident and other funds	323,100	412,918
Contribution to Employees' State Insurance Scheme	79,969	99,738
Staff welfare expenses	277,831	299,091
	9,965,006	12,668,435



	For the Year ended 31 March 2023	for the Year Ended 31 March 2022
Notes No. 21		
Finance Costs		
Bank Charges	236	1,677
Interest on Income Tax	141,845	228,940
Interest on Other	1,782,253	47
	1,924,334	230,664
Notes No. 22		
Depreciation and Amortisation		
Depreciation on Tangible Fixed Assets	-	1,761,190
	-	1,761,190
Notes No. 23		
Other Expenses		
Power and Fuel	1,211,518	1,563,991
Consumption of Stores and Spares	3,914,124	6,403,546
Rent	792,000	811,200
Building Maintenance	533,500	540,000
Fee & Subscription	23,123	28,576
Payment to Auditors:		
- Audit Fee	125,000	110,000
- Limited Review	75,000	-
- Taxation Matters	111,000	211,000
Printing and Stationery	36,787	78,629
Communication	72,029	72,934
Travelling and Conveyance	34,112	37,577
Legal and Professional	198,911	335,425
Repairs :		
- Machinery	121,379	225,087
- Others	119,120	193,945
Commission on Sale	184,852	105,448
Packing and Forwarding	580,287	1,001,981
General Expenses	235,957	108,852
Insurance	212,052	178,532
Business Promotion	740	2,500
Foreign Exchange Fluctuation	-	112,839
Security Expenses	471,132	494,029
Loss on Sale of Fixed Assets	806,874	-
Penalty	486,987	-
Bad Debts	-	507,865
	10,346,484	13,123,956



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(All amounts in ₹, unless otherwise stated)

24 Capital and other commitments (net of advance)

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2023 aggregates to INR Nil.

25 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 2023	For the Year ended 31 March 2022
Present value of obligation as at the beginning of the year	1,941,157	1,845,856
Acquisition adjustment		
Interest cost	-	125,429
Current service cost	-	287,962
Curtailment cost/(credit)		
Benefits paid	(1,443,452)	(35,733)
Actuarial (gain)/loss on obligation	(497,705)	(282,357)
Present value of obligation as at the end of year	-	1,941,157
- Long term	-	1,833,075
- Short term	-	108,082

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

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation as at the end of the year	-	1,941,157
Fair value of plan assets as at the end of the year		
unfunded status		
Net asset/(liability) recognized in balance sheet	-	1,941,157

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

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Current service cost	-	287,962
Interest cost	-	125,429
Expected return on plan assets		
Net actuarial (gain)/ loss recognized in the year	-	-
Expenses recognized in the Consolidated Statement of Profit and Loss	-	413,391



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

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Changes in Financial Assumption	-	(138,829)
Changes in Demographic Assumption	-	-
Experience Adjustments	-	(143,528)
Actual return on plan assets less interest on plan assets	-	-
Amount recognized in other Comprehensive Income (OCI)	-	(282,357)

(v) Maturity profile of defined benefit obligation:

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
1 Year	-	108,082
2 to 5 Years	-	76,064
6 to 10 Years	-	315,489
More than 10 years	-	7,423,394

(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 2023	As at 31 March 2022
Discount rate	0.00%	7.20%
Salary Growth Rate (per annum)	0.00%	10.00%

b) Demographic assumptions:

Particulars	As at 31 March 2023	As at 31 March 2022
i) Retirement Age (Years)	-	58
ii) Mortality Table	0%	100%
iii) Withdrawal rate (per annum)	0%	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 2023	For the Year ended 31 March 2022
1% increase in discount rate	-	1,640,309
1% decrease in discount rate	-	2,313,056
1% increase in salary growth rate	-	2,298,958
1% decrease in salary growth rate	-	1,644,784
50% increase in attrition rate	-	1,901,263
50% decrease in attrition rate	-	1,984,113
10% increase in mortality rate	-	1,938,985
10% decrease in mortality rate	-	1,943,340

(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 2023	For the Year ended 31 March 2022
Present value of obligation as at the beginning of the year	517,194	480,197
Acquisition adjustment		
Interest cost		
Current service cost		87,713
Curtailement cost/(credit)		
Benefits paid	(452,963)	(50,716)
Actuarial (gain)/loss on obligation	(64,231)	
Present value of obligation as at the end of year	-	517,194
- Long term	-	491,481
- Short term	-	25,713

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

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation as at the end of the year	-	517,194
Fair value of plan assets as at the end of the year		
unfunded status		
Net asset/(liability) recognized in balance sheet	-	517,194

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

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Current service cost	-	87,713
Interest cost	-	-
Expected return on plan assets		
Net actuarial (gain)/ loss recognized in the year	(64,231)	-
Expenses recognized in the Consolidated Statement of Profit and Loss	(64,231)	87,713

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

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
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 2023	For the Year ended 31 March 2022
1 Year	-	25,713
2 to 5 Years	-	19,558
6 to 10 Years	-	58,354
More than 10 years	-	2,119,927

(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 2023	As at 31 March 2022
Discount rate	0%	7.20%
Future salary increase	0%	10.00%



b) Demographic assumptions:

Particulars	As at 31 March 2023	As at 31 March 2022
i) Retirement Age (Years)	0	58
ii) Mortality Table	0%	100%
iii) Withdrawal rate (per annum)	0%	1%
Rate of Leave Availment (per annum)	0%	0%
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 2023	For the Year ended 31 March 2022
1% increase in discount rate	-	433,415
1% decrease in discount rate	-	621,317
1% increase in salary growth rate	-	617,361
1% decrease in salary growth rate	-	434,658
50% increase in attrition rate	-	506,047
50% decrease in attrition rate	-	529,227
10% increase in mortality rate	-	516,595
10% decrease in mortality rate	-	517,797

(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.

26 Provision for Contingencies

(i) Warranty - Nil



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(All amounts in ₹ , unless otherwise stated)

27 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 June 30 2022. 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

(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).



S. M. Auto Industries**Notes forming part of the financial statements for the year ended 31 March-2023****(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, 2023	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Trade payable		531,321	75,589	-		606,910
Other financial liabilities		280,498	-			280,498
As at March 31, 2022						
Trade Payable		13,446,966	-			13,446,966
Other financial liabilities		794,641	-			794,641

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. Debtors ageing from Due date of invoice and NOT invoice date in following format.

The table below summarises the ageing bracket of trade receivables.

Particulars	Gross carrying amount	
	31-Mar-23	31-Mar-22
Current (not past due)	2,184,757	21,907,821
1-30 days past due	15,408,112	1,106,094
31-60 days past due	1,704,562	-
61-90 days past due	-	-
More than 90 days past due	-	-

(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.



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(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 2023	For the year ended 31 March 2022
Transactions during the year			
UNO Minda Ltd.	Sales of Goods	135,397,927	175,747,420
UNO Minda Ltd.	Sales of Services	1,727,738	4,269,666
UNO Minda Ltd.	Purchase of Goods	1,750,750	5,039,809
UNO Minda Ltd.	Commission Paid	184,852	105,448
UNO Minda Ltd.	Professional Charges Paid	-	52,137

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance as at year end			
Auto Components	Sales	-	123,515
Samaira Engineering	Sales & Purchase	318,510	100,443
Y A Auto Industries	Sales & Purchase	1,725,349	1,635,406
Minda International Ltd	Sales	-	-
APJ Investments Pvt Ltd	Sales & Purchase	143,758	(3,090,010)
UNO Minda Ltd.	Sales, Purchase, Service	(207,444)	20,184,816

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-23	31-Mar-22
Short term employee benefits (Partner salary)	-	-
Total compensation	-	-



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(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		UNO Minda Ltd.	
	31-Mar 2023	31-Mar 2022	31-Mar 2023	31-Mar 2022
Transactions during the year				
Sale of Goods	20,691,354	25,508,160	135,397,927	175,747,420
Purchase of Goods	74,840,692	296,874	1,750,750	5,039,809
Sale of Service	-	-	1,727,738	4,269,666
Professional Charges Paid	-	-	-	52,137
Commission Paid	-	-	184,852	105,448
Sales of Goods				
Auto Component	232,332	1,215,827		-
Samaira Engineering	149,487	6,734,676		-
Samaira Engineering (Job work)	15,153	-		-
Samaira Engineering (Fixed Assets)	292,500	44,167		-
Y A Auto Industries	13,683,487	16,404,424		-
Y A Auto Industries (Job work)	171,865	1,109,066		-
Y A Auto Industries (Fixed Assets)	5,660,100	-		-
Minda International Ltd	14,898	-		-
APJ Investments Pvt Ltd.	112,101	-		-
APJ Investments Pvt Ltd. (Fixed Asset)	355,010	-		-
APJ Investments Pvt Ltd. (Job Work)	4,421	-		-
	20,691,354	25,508,160		
Purchase of Goods				
Samaira Engineering (Fixed Assets)	-	17,500		-
Y A Auto Industries	13,556	279,374		-
APJ Investments Pvt Ltd.	73,352,136	-		-
APJ Investments Pvt Ltd. (Fixed Asset)	1,475,000	-		-
	74,840,692	296,874		



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(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 2023	31-Mar 2022	31-Mar 2023	31-Mar 2022
Balance outstanding- Receivable/(Payable)	2,187,617	(1,230,646)	(207,444)	20,184,816



S. M. Auto Industries**Notes forming part of the financial statements for the year ended 31 March-2023****(All amounts in ₹ , unless otherwise stated)****28**

(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**

UNO Minda Ltd

Mr. Sanjeev Garg (Retired w.e.f. 01-07-2023)

APJ Investments Pvt Ltd.(New partner w.e.f. 01-07-2023)

Mr. Puneet Kumar Jakhodia (New partner w.e.f. 01-07-2023)

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

Auto Components

Samaira Engineering

Y A Auto Industries

UNO Minda Ltd.

Minda International Ltd.

APJ Investments Pvt Ltd.



S. M. Auto Industries

Notes forming part of the financial statements for the year ended 31 March-2023

(All amounts in ₹, unless otherwise stated)

29 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, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
1) Financial assets at amortized cost				
Trade receivables (current / non current)	19,297,431	19,297,431	23,013,915	25,900,774
Cash and cash equivalents	7,663,496	7,663,496	4,256,283	4,256,283
Security deposit (current / non current)	208,301	208,301	558,301	558,301
Total	27,169,228	27,169,228	27,828,499	30,715,358
2) Financial Liabilities at amortized cost				
Trade payables	606,910	606,910	13,446,966	13,446,966
Other financial liabilities (current / non current)	280,498	280,498	794,641	794,641
Total	887,408	887,408	14,241,607	14,241,607

* 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

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.

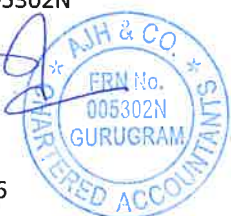
Chartered Accountants

Firm Registration No. 005302N

Ajay Jain, FCA

Partner

Membership No. 084096



Alok Sharma

On behalf of Partner
Uno Minda Limited

Puneet Kumar Jakhodia
Partner

Place : Delhi

Date : 30-04-2023

UDIN : 23084096 BGM SI 1415