

**Ref: STL/SE/2025-2026/AGM Notice & Annual Report/39**

**Dated: 28<sup>th</sup> August, 2025**

**To,**  
Department of Corporate Services,  
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

**To,**  
Listing Department,  
National Stock Exchange of India Limited  
C-1, G-Block, Bandra-Kurla Complex,  
Bandra, (E), Mumbai – 400 051

**BSE Code: 541163; NSE: SANDHAR**

**Sub: Notice of the 33<sup>rd</sup> Annual General Meeting along with the Annual Report for the Financial Year 2024-2025.**

Dear Sir/Ma'am,

With reference to the captioned subject, we are submitting herewith the Notice of Annual General Meeting ("AGM") along with the Annual Report for the Financial Year 2024-2025, which is being sent to the shareholders by Electronic Mode.

The 33<sup>rd</sup> Annual General Meeting of the Company will be held on Friday, the 19<sup>th</sup> September, 2025 at 11:30 A.M. (IST) through Video Conferencing/Other Audio Visual means.

**The Schedule of events relating to the AGM is set out below:**

<b>Events</b>	<b>Day and Date</b>	<b>Time (IST)</b>
Relevant Date/Record Date/Cut-off date to vote on AGM Resolution	Friday, 12 <sup>th</sup> September, 2025	NA
Book Closure Date for AGM and Final Dividend	Saturday, 13 <sup>th</sup> September, 2025 to Friday, 19 <sup>th</sup> September, 2025 (both days inclusive)	NA
Remote e-voting Start date and time	Tuesday, 16 <sup>th</sup> September, 2025	09:00 A.M.
Remote e-voting End date and time	Thursday, 18 <sup>th</sup> September, 2025	05:00 P.M.
AGM date and time	Friday, 19 <sup>th</sup> September, 2025	11:30 A.M.

The Annual Report containing the notice is also uploaded on the Company's website viz. <https://sandhargroup.com/investors/annual-reports>.

Kindly take the same on record.

Thanking you,  
Yours faithfully,

**For SANDHAR TECHNOLOGIES LIMITED**

**Yashpal Jain**  
**(Chief Financial Officer & Company Secretary)**  
**M. No. A13981**

**Encl.: As above**

**Sandhar Technologies Limited**

# SANDHAR

Growth. Motivation. Better Life

**CIN-L74999DL1987PLC029553**

Corporate Office: 13, Sector-44, Gurugram-122002, Haryana, India  
Ph.: +9112-4518900

Registered office:

B-6/20, L.S.C, Safdarjung Enclave, New Delhi - 110029, India  
Ph.: +91-11-40511800

Email : enquiries@sandhar.in

Website : www.sandhargroup.com

## Notice

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member(s),

Notice is hereby given that the Thirty Third (33rd) Annual General Meeting ("AGM") of the Members of Sandhar Technologies Limited ("the Company") will be held on Friday, the 19th September, 2025 at 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

- 1) **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended the 31<sup>st</sup> March, 2025 together with the reports of the Board of Directors and Auditors thereon.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2025 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

- 2) **To declare a final dividend of INR. 3.50/- (Indian Three Rupees Fifty Paise) each on the fully paid up Equity Shares of the Company of face value of INR 10/- (Indian Rupees Ten) each for the financial year 2024-2025.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** the final dividend of INR 3.50/- (Indian Three Rupees Fifty Paise) per equity share of the Company, having face value of INR 10/- (Indian Rupees Ten only) each, fully paid-up, be and is hereby declared for the Financial Year ended on 31<sup>st</sup> March, 2025, as recommended by the Board of Directors at their meeting held on 22<sup>nd</sup> May, 2025.

- 3) **To consider and approve re-appointment of Shri. Neel Jay Davar (DIN: 09201336), as a Non-Executive Non-Independent Director, who retires by rotation and being eligible offers himself for re-appointment:**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), if any, Shri Neel Jay Davar (DIN: 09201336), Non-Executive Non-Independent Director, who is liable to retire by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

### SPECIAL BUSINESS:

- 4) **To appoint M/s KK Sachdeva & Associates, as Secretarial Auditor of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), circulars issued thereunder from time to time and other applicable statutory laws, if any, as amended from time to time, and upon the recommendations of the Audit Committee and Board of Directors of the Company, the consent of the members of the Company be and are hereby accorded to appoint M/s. K K Sachdeva & Associates, Practicing Company Secretary, having Membership No. F7153 and Certificate of Practice No. 4721 and Peer Review Certificate No. 1684/2022, as the Secretarial Auditor of the Company to hold such office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of 38th Annual General Meeting to be held in the year 2030, at such professional fees as mentioned in the explanatory statement plus

applicable taxes and other out-of-pocket expenses as may be determined by the Board of Directors of the Company (based on the recommendation(s) of the Audit Committee), from time to time, and, as mutually agreed between the Board of Directors and the Secretarial Auditor.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof), be authorised on behalf of the Company, to determine including but not limited to role and responsibilities/ scope of work of the Secretarial Auditor, to negotiate, finalise, amend, sign, deliver and execute the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to the Act or Listing Regulations and such other requirements without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for the purpose of giving effect to this Resolution.

**5) Ratification of Remuneration payable to Cost Auditor viz., M/s Satija & Co., for audit of cost records of the Company for the Financial Year 2025–2026**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Satija & Co., Cost Accountants (Firm Registration No.004907), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for FY 2025–26, be paid a remuneration of INR. 1,25,000 (Indian Rupees One Lakh Twenty-Five Thousand Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses as may be incurred by them in the course of aforesaid audit be and is hereby ratified.

**RESOLVED FURTHER THAT** any Director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6) Re- Appointment of Shri. Jayant Davar (DIN: 00100801) as Executive Chairman (Executive Director) & Chief Executive Officer of the Company for 5 years w.e.f 01st January, 2026**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

**“RESOLVED THAT** pursuant to provision of Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (‘Listing Regulations’), and upon recommendation of Nomination and Remuneration Committee and Board of Directors of the Company and subject to Articles of Association, approval of the Members of the Company be and are hereby accorded for the re-appointment of Shri Jayant Davar as Executive Chairman (Executive Director) & Chief Executive Officer of the Company to hold such office for the period of 5 (five) years with effect from 01st January, 2026 to 31st December, 2030, not liable to retire by rotation, upon the terms and conditions of the said re-appointment, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (‘Board’) from time to time and further mutually agreed between Shri Jayant Davar and the Company including but not limited to the remuneration as set out in the Explanatory Statement annexed to this Notice subject to the same not exceeding the limits specified under Schedule V of the Act, but may exceed the limits as specified under the Regulation 17(6)(e) of the Listing Regulations or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the remuneration including benefits, amenities and perquisites as detailed in the explanatory statement be and is hereby approved effective from 01<sup>st</sup>, January 2026 and may be paid as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Act and rules framed thereunder and any other applicable provisions of the Act and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof from time to time), without requiring to obtain the approval of shareholders any further.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (herein referred to as ‘Board’ which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) be and are hereby authorized to vary and/or revise the terms and conditions of re-appointment including the remuneration payable to Shri Jayant Davar from time to time within the permissible limits under the provisions of the Companies Act, 2013 read with the rules made thereunder, Schedule V of the said Act, but may exceed the limits as specified under the Regulation 17(6)(e) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) without requiring to obtain the approval of shareholders any further and to settle any question or difficulty in connection therewith or incidental thereto and to do all acts and take such steps as may be necessary, proper or expedient to give effect to this Resolution.

**7) Approval for the Increase in the borrowing limits of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

**“RESOLVED THAT** in supersession of the earlier resolution passed by the Board of Directors and Special resolution passed by the Members of the Company at the Annual General Meeting held on 09th July, 2014 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the

Articles of Association of the Company, the consent of the Members be and are hereby accorded to authorize the Board of Directors of the Company or the Committee thereof, to borrow any sum or sums of money for the purpose of the business of the Company, whether from any bank(s), financial institution(s), body corporate(s), or any other person(s) or from any other source in India or outside India in any form including but not limited to by way of, loans, issue of debentures, bonds or other instruments or otherwise, with or without security, in Indian or foreign currency, on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of its paid-up share capital, free reserves and securities premium account that is to say, reserves not set apart for any specific purpose of the Company, provided however, the same shall not exceed at any point in time a sum equivalent to INR 1,200 crore (Indian Rupees One Thousand Two Hundred Crore only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (herein referred to as 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution), be and are hereby authorized to do all the necessary acts/deeds/things including taking all consequential/incidental steps, to give effect to this Resolution."

**8) Approval for Increase in the limits for creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

**"RESOLVED THAT** in supersession of the earlier resolution passed by the Board and Special resolution passed by the Members of the Company at the Annual General Meeting held on 09th July, 2014 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, if any), Regulation 37A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and in accordance with the Articles of the Association of the Company, the consent of the members of the Company be and are hereby accorded to authorize the Board of Directors or Committee thereof:

To sell, lease, transfer or otherwise dispose of, from time to time, the whole or substantially the whole of the undertaking of the Company. In cases where the Company owns more than one undertaking, the authority shall extend to the whole or substantially the whole of any such undertaking(s), in any manner as may be deemed necessary and in the best interest of the Company, including but not limited to creating mortgage, hypothecation, charge or other encumbrances on the whole or substantially the whole of the Company's properties and assets, whether movable or immovable, tangible or intangible, present or future, comprised in any undertaking of the Company. Such security may be created in favour of banks, financial institutions, debenture trustees, or any other lenders or creditors, hereinafter collectively referred to as "Lenders," for the purpose of securing the financial assistance in

the form of loans, term loans, working capital facilities, issuance of non-convertible debentures, bonds, or other financial instruments, including borrowings in foreign currency (including any additional amounts that may arise on account of revaluation, devaluation, foreign exchange rate fluctuations, or other financial adjustments), raised from time to time by the Company in the ordinary course of its business or for strategic and expansion purposes, subject to terms and conditions as may be mutually agreed with the Lenders, including but not limited to, interest (simple or compound), additional interest, liquidated damages, commitment charges, prepayment/redemption premiums, and other costs, charges, and expenses as may be applicable under the respective financing agreements or instruments executed by the Company, not exceeding INR 1,200 crores (Indian Rupees One Thousand Two Hundred Crores only).

**RESOLVED FURTHER THAT** the mortgage and/or charge to be created by the Company aforesaid may rank prior/ pari passu/ subservient with/ to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between Company and the lenders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (herein referred to as 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution), be and are hereby authorized to do all necessary acts/deeds/things including taking all consequential/incidental steps, to give effect to this resolution."

**9) To consider the increase in Authorised Share Capital of the Company and consequent alteration to the Capital Clause of the Memorandum of Association**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules framed thereunder (including any modification(s) or re-enactment(s) thereof for the time being in force, if any) and the Articles of Association of the Company, the consent of the members be and are hereby accorded to increase the Authorised Share Capital of the Company from INR 70,00,00,000/- (Indian Rupees Seventy Crores only) divided into 6,80,00,000 (Six Crores and Eighty Lakhs) Equity Shares of INR 10/- (Indian Rupees Ten Only) each and 2,00,000 (Two Lakhs) Preference Shares of INR 100/- (Indian Rupees Hundred Only) each to INR 80,00,00,000/- (Indian Rupees Eighty Crores only) divided into 7,80,00,000 (Seven Crores and Eighty Lakhs) Equity Shares of INR 10/- (Indian Rupees Ten Only) each and 2,00,000 (Two Lakhs) Preference Shares of INR 100/- (Indian Rupees Hundred Only) each ranking pari-passu with the existing equity shares in all respects.

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be and is hereby amended by substituting with the following clause:

"The Authorised Share Capital of the Company is INR 80,00,00,000/- (Indian Rupees Eighty Crores only) divided into 7,80,00,000 (Seven Crores and Eighty Lakhs) Equity Shares of INR 10/- (Indian Rupees Ten Only)



each and 2,00,000 (Two Lakhs) Preference Shares of INR 100/- (Indian Rupees Hundred Only) “

**RESOLVED FURTHER THAT** any Director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**10) To consider and approve the raising of capital by way of Further Public Issue, Debt Issue, Rights Issue, Preferential Allotment, Private Placement, Qualified Institutions Placement (QIP) or Any Other Permissible Method/Mode.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62, 71, 179, and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, and other applicable rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, and subject to the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Foreign Exchange Management Act, 1999 (“FEMA”), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and other applicable laws, rules, regulations, guidelines, circulars, notifications, and clarifications issued by the Government of India, the Ministry of Corporate Affairs, the Reserve Bank of India, the Securities and Exchange Board of India, the Registrar of Companies, stock exchanges, or any other competent authority, from time to time, and subject to such approvals, consents, permissions, and sanctions as may be required from such authorities, and such conditions as may be prescribed while granting such approvals, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board,” which term shall include any committee constituted or to be constituted by the Board), the consent of the shareholders be and is hereby accorded to the Board to create, offer, issue, and allot, in one or more tranches, equity shares of face value ₹10 each (“Equity Shares”) and/or other securities including fully or partly convertible debentures, non-convertible debentures with warrants, or any other securities convertible into or exchangeable with Equity Shares, whether denominated in Indian rupees or foreign currency (collectively referred to as the “Securities”), through one or more permissible modes including but not limited to Public issue, Preferential allotment, Qualified Institutions Placement (“QIP”), Private placement, or any combination thereof, to eligible investors (whether or not existing shareholders), including resident or non-resident investors, institutions, banks, mutual funds, foreign portfolio investors, venture

capital funds, alternative investment funds, qualified institutional buyers, individuals, trusts, stabilizing agents, or others, for an aggregate amount not exceeding ₹500 crore (Rupees Five Hundred Crore only), in accordance with applicable laws.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the terms of issuance, including the type of Securities, the issue price(s) (whether at market price, premium or discount), timing of the issue, tranches, investors to whom Securities will be allotted, utilization of issue proceeds, and other related matters, in consultation with merchant bankers, legal and financial advisors, underwriters, and other intermediaries, as the Board may, in its absolute discretion, deem necessary or expedient.

**RESOLVED FURTHER THAT** in case of a Qualified Institutions Placement (“QIP”) in accordance with Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be made to Qualified Institutional Buyers within the meaning of the SEBI ICDR Regulations, such Securities shall be allotted as fully paid-up Securities and the allotment shall be subject to the provisions of the SEBI ICDR Regulations, be completed within 365 days from the date of passing of the Special Resolution or such other time as may be allowed under the SEBI ICDR Regulations or other applicable laws from time to time, at such issue price being not less than the price determined in accordance with the pricing formula prescribed under the SEBI ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% (or such percentage as permitted under applicable law) on the floor price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued pursuant to a Qualified Institutions placement under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), the “relevant date” for the purpose of pricing of the Equity Shares shall be the date of the meeting of Board of Directors of the Company or the committee duly authorised by the Board at which the decision is made to open the proposed issue of Equity Shares.

**RESOLVED FURTHER THAT** in the event the Company issues convertible securities and/or warrants convertible into Equity Shares, together with non-convertible debentures, to Qualified Institutional Buyers pursuant to Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), the “relevant date” for the purpose of pricing such convertible securities and/or warrants shall be the date of the meeting of the Board of Directors at which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures, or the date on which the holders of such convertible securities and/or warrants become entitled to apply for the Equity Shares and the issue price of such securities shall not be less than the price determined in accordance with the pricing formula prescribed under Chapter VI of the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** in the event of a further public offering, the Securities shall be issued by the Company

in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and any other applicable laws, rules, and regulations.

**RESOLVED FURTHER THAT** subject to applicable laws, the issuance of Securities that are convertible into or exchangeable for Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- a) In the event the Company undertakes a bonus issue by way of capitalization of its profits or reserves prior to the allotment of Equity Shares upon conversion or exchange of the Securities, the number of Equity Shares to be allotted shall be proportionately increased in the same ratio in which the equity share capital is increased, and the conversion price, if any, shall be adjusted accordingly to reflect such bonus issue;
- b) In the event the Company makes a rights issue of Equity Shares prior to the allotment of Equity Shares pursuant to conversion or exchange of the Securities, the entitlement of the holders of such Securities shall be adjusted in the same proportion as that of the rights issue, and such additional Equity Shares shall be offered to them at the same price at which the rights issue is made to the existing shareholders;
- c) In the event of any merger, demerger, amalgamation, takeover, corporate restructuring, or other similar corporate action, the number of Equity Shares to be allotted upon conversion or exchange of the Securities, the conversion price, and/or the time period for conversion shall be suitably adjusted, as may be required and permitted under applicable law;
- d) In the event of a consolidation or sub-division (stock split) of the Equity Shares, reclassification of the Securities, or any such other event or circumstance which, in the opinion of the Board or as required by any stock exchange or regulatory authority, necessitates an adjustment, appropriate adjustments shall be made to the number of Equity Shares to be allotted and/or the conversion price, to ensure that the interests of the holders of such Securities are not adversely affected

**RESOLVED FURTHER THAT** without prejudice to the generality of the foregoing resolutions, the Securities to be issued as aforesaid may carry such rights, features, and attributes, or any combination thereof, in accordance with applicable laws and prevailing international market practices, to facilitate their tradability and free transferability in capital markets and it include but not limited to the provisions relating to payment of dividend, issuance of additional equity shares, adjustments to the conversion price and/or conversion period of the Securities into Equity Shares during their tenure and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issuance, or allotment of Equity Shares or other Securities or instruments representing the same, as contemplated in the foregoing resolutions, the consent of the members be and is hereby accorded to the Board (which terms shall be deemed to include any duly constituted Committee thereof) to take all necessary, appropriate,

and incidental actions in its absolute discretion, including but not limited to determining the terms and conditions of the issuance, including the class and number of Securities to be issued, the timing and tranches of such issuance, the pricing, mode and manner of offering (whether domestic or international), and the class of investors to whom such Securities may be offered and allotted in accordance with applicable laws and regulations and to vary, modify, or amend any of the terms and conditions of the issuance as it may deem necessary, proper or expedient, to engage and appoint intermediaries including merchant bankers, underwriters, lead managers, legal advisors, consultants, depositories, custodians, registrars, trustees, stabilizing agents, paying and conversion agents, escrow agents, and other service providers, and to enter into and execute all such agreements, contracts, arrangements, documents, deeds and instruments as may be required, to finalize, approve and file any offer documents, including but not limited to draft and final prospectus, offer letters, placement documents, offering circulars, registration statements, and any other necessary filings with regulatory or governmental authorities or stock exchanges in India or abroad and to make applications for listing and trading of the Securities (or underlying Equity Shares) on one or more recognized stock exchanges in India or internationally and to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, desirable or expedient by the Board in connection with or incidental to the proposed offering, issuance or allotment of Securities, including the utilization of the issue proceeds, without being required to seek any further consent or approval of the members, with the intent that the members shall be deemed to have given their approval thereto by virtue of this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue, or allotment of Equity Shares or other Securities or instruments representing the same, as stated above, the Board be and is hereby authorized, on behalf of the Company, to take all necessary steps for the listing of such Securities), on one or more recognized stock exchanges in India and/or overseas, in accordance with applicable laws, rules, regulations, and guidelines issued by relevant regulatory authorities from time to time.

**RESOLVED FURTHER THAT –**

- (i) the offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however, to applicable guidelines, notifications, rules and regulations;
- (ii) the Equity Shares to be issued by the Company as stated aforesaid shall rank *pari passu* in all respects with the existing Equity Shares of the Company;
- (iii) the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Equity Shares and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient;
- (iv) the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), placement document or offering circular, as the case may be, execution of various transaction documents, as it

may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board of the Directors be and is hereby authorized to engage/appoint merchant bankers, underwriters, guarantors, depositories, custodians, registrars, trustees, stabilizing agents, bankers, lawyers, advisors and all such agencies as may be involved or concerned with the issue and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, contracts/ agreements, memoranda, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized Stock Exchange(s), as may be required.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorized to delegate all or any its powers herein conferred by this resolution to any Committee of Directors or Directors of Company as empowered by the Board to give effect to the above resolution.”

**By Order of the Board  
For Sandhar Technologies Limited**

**Sd/-  
YASHPAL JAIN  
Chief Financial Officer & Company Secretary  
ICSI Membership Number : A13981**

**Place: Gurugram, Haryana  
Dated: 07<sup>th</sup> August, 2025**

**Registered Office:**  
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New Delhi-110029  
CIN: L74999DL1987PLC029553  
Phone: 0124-4518900  
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Website: [www.sandhargroup.com](http://www.sandhargroup.com)

**NOTES:**

- 1) The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular no. 20/2020 dated May 5, 2020, Circular no. 02/2021 dated January 13, 2021, Circular no. 19/2021 dated December 08, 2021, Circular no. 21/2021 dated December 14, 2021, Circular no. 2/2022 dated May 05, 2022, Circular no. 10/2022 dated December 28, 2022 and Circular no. 09/2023 dated September 25, 2023, and the MCA General Circular No.09/2024 dated 19<sup>th</sup> September, 2024 ("MCA Circulars") in relation to "Clarification on holding of Annual General Meeting ("AGM") through video conferencing ("VC") or Other Audio Visual Means ("OAVM")" read with other Circulars, as may be applicable (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- 2) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") and applicable Secretarial Standard setting out the material facts relating to Special Business to be transacted at the AGM, is annexed to the Notice.
- 3) The Company has engaged the services of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as agency for providing e-voting facility (remote e-voting and e-voting during AGM) to shareholders of the Company in order to cast their votes electronically.
- 4) Pursuant to the above-mentioned MCA Circulars, physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
- 5) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, pursuant to the applicable MCA Circulars read with Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3<sup>rd</sup> October, 2024, physical attendance of Members has been dispensed with. Further, SEBI vide its Notification dated 12<sup>th</sup> December, 2024, amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), whereby the requirement to send proxy forms shall not be applicable to general meetings held only through electronic mode. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 6) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote at the AGM.
- 7) Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a scanned copy (PDF/JPG format) of its Board or governing body resolution /Authorization letter etc. at e-mail ID [investors@sandhar.in](mailto:investors@sandhar.in) at least 48 hours before the e-voting, pursuant to section 113 of the Act.
- 8) Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote.
- 9) In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
- 10) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements maintained under Section 189 of the Act along with documents referred to in the accompanying Notice of the AGM and the Explanatory Statement will be available for inspection in electronic mode for inspection on all working days except Saturday and Sunday, during normal business hours 09:00 A.M. to 05:00 P.M. (IST) from date of dispatch of notice to members of the Company to 18<sup>th</sup> September, 2025 and on the date of AGM. Members can inspect the same by sending an email to [investors@sandhar.in](mailto:investors@sandhar.in)
- 11) Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 13<sup>th</sup> September, 2025 to Friday, 19<sup>th</sup> September, 2025 (both days inclusive).
- 12) Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards-2 issued by the Institute of Company Secretaries of India in respect of the Directors seeking appointment / re-appointment at the AGM is attached as **Annexure-1** forming part of this Notice.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.



- 14) As per Regulation 12 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interests, redemption or repayment amounts to them through National/Regional/Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS/RTGS/NEFT/NACH and bank details are available. In the absence of electronic facility, Companies are required to mandatorily print bank details of the investors on 'payable-at-par' warrants or cheques for distribution of Dividends or other cash benefits to the investors. In addition to this, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments.
- 15) Therefore, Members holding shares in demat mode are requested to record the ECS mandate with their DPs concerned.
- 16) As per the provisions of Section 72 of the Act and SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting a request to MUFG Intime India Private Limited, Registrar and Share Transfer Agent in Form No. SH-13.
- 17) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

#### **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:**

In accordance with the MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, MCA General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023, MCA General Circular No. 09/2024 dated 19<sup>th</sup> September, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3<sup>rd</sup> October, 2024, the Annual Report for Financial Year 2024-25 and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company and the Depositories. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

Members holding shares in dematerialized (demat) form are requested to update their email addresses with their respective Depository Participants (DPs). In case of any queries or difficulties in registering the e-mail address, Members may write to [enotices@in.mfpm.muvg.com](mailto:enotices@in.mfpm.muvg.com) or contact Tel: 022-49186000.

A copy of the Notice of this AGM along with Annual Report for the FY 2024-25 is available on the website of the Company at <https://sandhargroup.com/investors/annual-reports/>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Registrar and Share Transfer Agent ("RTA") <https://instavote.linkintime.co.in>.

Additionally, as per Listing Regulations, the Company is also sending a letter to shareholders whose e-mail addresses are not registered with Company/RTA/depositories/DP providing the weblink, including the exact path of Company's website where the complete details of the Notice and Annual Report for F.Y. 2024-25 is available.

In case of any assistance, the members are requested to write an email to [investors@sandhar.in](mailto:investors@sandhar.in)

Any member desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the AGM through e-mail on [investors@sandhar.in](mailto:investors@sandhar.in). The same shall be replied by the Company suitably.

#### **COMMUNICATION ON TAX DEDUCTION AT SOURCE ON DIVIDEND DISTRIBUTION**

Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. 01st April, 2020 and the Company is required to deduct Tax at Source (TDS) at the time of making the payment or distribution of dividend to the shareholders at the prescribed rates. Tax shall be deducted at source @ 10 % for resident shareholders with valid Permanent Account Number (PAN); or @ 20% for resident shareholders without PAN or invalid PAN (as per Sec. 206AA of IT Act).

Further, TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the IT Act, if such valid certificate is provided.

However, no tax shall be deducted on the dividend payable to a resident individual Member if the total dividend to be received by them during FY 2025-26 from the Company does not exceed Rs. 10,000, and also in cases where Members providing Form No 15G/Form 15H (applicable to an individual age of 60 years or more) subject to conditions specified in the Act and other applicable sections of the Act by email to [investors@sandhar.in](mailto:investors@sandhar.in)

Non-resident shareholders can avail beneficial rates under the tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [investors@sandhar.in](mailto:investors@sandhar.in). The aforementioned documents and declaration needs to be submitted by the shareholders by Friday, 12<sup>th</sup> September, 2025. For detailed instruction and formats of the Forms and documents needs to be submitted, please visit <https://sandhargroup.com/>.

Note:-If a shareholder holds multiple demat account having single PAN in that case if the aggregate amount of dividend of all the demat account exceeds Rs 10,000/- the TDS shall be deducted on the entire amount of dividend.

#### **SCRUTINISER FOR E-VOTING:**

The Company has appointed M/s K.K. Sachdeva & Associates, Practicing Company Secretaries (M. No. FCS 7153), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, scrutinize the votes cast during the meeting and through remote e-voting. The Scrutinizer shall

then submit a Consolidated Scrutinizer's Report of the total votes cast in favour of and against each Resolution, along with details of invalid votes, if any, within two working days from the conclusion of the AGM, to the Chairman or to any person authorized by him in writing. The Chairman or the authorized person shall countersign the same and declare the consolidated results of the voting forthwith.

The result declared along with the scrutinizers report shall be displayed at the registered office as well as corporate office of the Company and will also be placed on the Company's website at [www.sandhargroup.com](http://www.sandhargroup.com) under the head "Investor Relations" and on the website of MUFG Intime India Private Limited at <https://instavote.linkintime.co.in> and shall also be communicated to the Stock Exchanges where the Company's Equity Shares are listed viz. Bombay Stock Exchange Limited ('BSE') and The National Stock Exchange of India Limited ('NSE').

### Online Dispute Resolution Mechanism

SEBI vide circular nos. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/191 dated December 20, 2023 read with master circular no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated December 28, 2023, as amended, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to the said circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website [https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed\\_file.pdf](https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed_file.pdf)

### PROCEDURE FOR SPEAKER REGISTRATION OR TO RAISE QUESTIONS/ QUERIES:

Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at e-mail: [investors@sandhar.in](mailto:investors@sandhar.in) on or before 16<sup>th</sup> September, 2025 at 05:00 P.M.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at e-mail: [investors@sandhar.in](mailto:investors@sandhar.in). The same will be replied by the Company suitably.

### PROCEDURE FOR REMOTE E-VOTING

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 12<sup>th</sup> September, 2025 i.e., the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request to Registrar. However, if

he/she is already registered with Registrar for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

Members who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting. Vote once casted can't be changed subsequently.

The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Tuesday, 16<sup>th</sup> September, 2025 at 9:00 A.M. (IST) and ends on Thursday, 18<sup>th</sup> September, 2025 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, 12<sup>th</sup> September, 2025 may cast their vote electronically. The voting right of members shall be in proportion to their share. E-Voting Event Number (EVEN)- 250487

### Process and manner for attending the Annual General Meeting through InstaMeet:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30<sup>th</sup> September, 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email id correctly in their demat accounts to access InstaMeet facility.

### Login method for shareholders to attend the General Meeting through InstaMeet:

- Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- Select the "Company" and 'Event Date' and register with your following details:

#### A. Demat Account No. or Folio No:

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – shall provide Folio Number.

#### B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No: Enter your Mobile No.**

**D. Email ID: Enter your email Id as recorded with your DP/ Company.**

c) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through Insta-Meet:

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Othershareholderwho has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

\*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders to Vote during the General Meeting through Insta-Meet:**

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

**Helpdesk:**

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at [instameet@in.mpms.mufg.com](mailto:instameet@in.mpms.mufg.com) or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

**Login method for Individual shareholders holding securities in demat mode is given below:**

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

**Note:**

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>Method –1: If registered with NSDL IDeAS facility</b></p> <p><b>Shareholders who have registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and click on “Beneficial Owner” icon under “Login”.</li> <li>Enter User ID and Password. Click on “Login”</li> <li>After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.</li> <li>Click on “MUFG InTime” or “e-voting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR</b></p> <p><b>Shareholders not registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and select “Register Online for IDeAS Portal” or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Proceed with updating the required fields.</li> <li>Post successful registration, user will be provided with Login ID and password.</li> <li>After successful login, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.</li> <li>Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>Method –2: By directly visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a></li> <li>Click on the “Login” tab available under ‘Shareholder/Member’ section.</li> <li>Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. <ol style="list-style-type: none"> <li>Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.</li> <li>Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>METHOD 1 : From CDSL Easi/ Easiest facility</b></p> <p><b>Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>Click on New System Myeasi Tab</li> <li>Login with existing my easi username and password</li> <li>After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.</li> <li>Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>OR</b></p> <p><b>Shareholders who have not registered for CDSL Easi/ Easiest facility:</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/</a> / <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a></li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided username and password.</li> <li>After successful login, user able to see e-voting menu.</li> <li>Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2 – By directly visiting the e-voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.cdslindia.com">https://www.cdslindia.com</a></li> <li>Go to e-voting tab.</li> <li>Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.</li> <li>System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account</li> <li>After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol>



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with Depository Participant	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.</p> <ol style="list-style-type: none"> <li>Login to DP website</li> <li>After Successful login, user shall navigate through “e-voting” option.</li> <li>Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.</li> <li>After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol>
Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode	<p>Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:</p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> </ol> <p><b>Shareholders who have not registered for INSTAVOTE facility:</b></p> <ol style="list-style-type: none"> <li>Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: <ol style="list-style-type: none"> <li><b>User ID:</b> <p>NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.</p> <p>CDSL demat account – User ID is 16 Digit Beneficiary ID.</p> <p>Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.</p> </li> <li><b>PAN:</b> <p>Enter your 10-digit Permanent Account Number (PAN)</p> <p>(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p> </li> <li><b>DOB/DOI:</b> <p>Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company – in DD/MM/YYYY format)</p> </li> <li><b>Bank Account Number:</b> <p>Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <p>*Shareholders holding shares in NSDL form, shall provide ‘D’ above</p> <p>**Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</p> <ul style="list-style-type: none"> <li>Set the password of your choice</li> <li>(The password should contain minimum 8 characters, at least one special Character (!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>Enter Image Verification (CAPTCHA) Code</li> <li>Click “Submit” (You have now registered on InstaVote).</li> </ul> </li> </ol> </li> </ol> <p><b>Shareholders who have registered for INSTAVOTE facility:</b></p> <ol style="list-style-type: none"> <li>Click on “<b>Login</b>” under ‘<b>SHARE HOLDER</b>’ tab. <ol style="list-style-type: none"> <li>User ID: Enter your User ID</li> <li>Password: Enter your Password</li> <li>Enter Image Verification (CAPTCHA) Code</li> <li>Click “Submit”</li> </ol> </li> <li>Cast your vote electronically: <ol style="list-style-type: none"> <li>After successful login, you will be able to see the “Notification for e-voting”.</li> <li>Select ‘View’ icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).</li> <li>After selecting the desired option i.e. Favour / Against, click on ‘Submit’.</li> </ol> <p>A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.</p> </li> </ol>

## Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

### STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

### STEP 2 – Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on "Investor Mapping" tab under the Menu Section
- Map the Investor with the following details:
  - 'Investor ID' –
    - NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
    - CDSL demat account – User ID is 16 Digit Beneficiary ID.
  - 'Investor's Name' – Enter Investor's Name as updated with DP.
  - 'Investor PAN' – Enter your 10-digit PAN.
  - 'Power of Attorney' – Attach Board resolution or Power of Attorney.  
 \*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
  - Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

### STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

#### METHOD 1 – VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on "Votes Entry" tab under the Menu section.
- Enter the "Event No." for which you want to cast vote.  
 Event No. can be viewed on the home page of InstaVote under "On-going Events".
- Enter "16-digit Demat Account No." for which you want to cast vote.
- Refer the Resolution description and cast your vote by

selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

- After selecting the desired option i.e. Favour / Against, click on 'Submit'.

A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

#### OR

#### METHOD 2 – VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will be able to see the "Notification for e-voting".
- Select "View" icon for "Company's Name / Event number".
- E-voting page will appear.
- Download sample vote file from "Download Sample Vote File" tab.
- Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Helpdesk:

#### Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) or contact on: - Tel: 022 – 4918 6000.

#### Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 – 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

#### Forgot Password:

#### Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the

shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “Login” under ‘**SHARE HOLDER**’ tab.
- Click “**forgot password?**”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “**SUBMIT**”.

*In case shareholders have a valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

**User ID:**

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘**Login**’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “**forgot password?**”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “**SUBMIT**”.

*In case shareholders have a valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**By Order of the Board  
For Sandhar Technologies Limited**

**Sd/–**

**YASHPAL JAIN**

**Chief Financial Officer & Company Secretary  
ICSI Membership Number: A13981**

**Place: Gurugram, Haryana**

**Dated: 07<sup>th</sup> August, 2025**

**Registered Office:**

B-6/20 L.S.C. Safdarjung Enclave,

New Delhi-110029

CIN: L74999DL1987PLC029553

Phone: 0124-4518900

Fax: 0124-4518912

Email: [info@sandhar.in](mailto:info@sandhar.in)

Website: [www.sandhargroup.com](http://www.sandhargroup.com)

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

**Item No 4:****Appointment of M/s K K Sachdeva & Associates, as Secretarial Auditor of the Company**

The Board of Directors at its meeting held on 22<sup>nd</sup> May, 2025, on the recommendation of Audit Committee, approved the appointment of M/s. K. K. Sachdeva & Associates, a peer reviewed firm of Company Secretaries in practice, as the Secretarial Auditors of the Company for five consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of 38th Annual General Meeting to be held in the year 2030.

The Securities and Exchange Board of India (SEBI), vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated 12<sup>th</sup> December 2024, had amended Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The amended regulations provide specific guidelines for appointing and re-appointing Secretarial Auditors w.e.f., 01<sup>st</sup> April, 2025.

The amended Regulation 24A of SEBI (LODR) Regulations, 2015 states that on the basis of recommendation of board of directors, a listed entity shall appoint or re-appoint an individual as Secretarial Auditor for not more than one term of five consecutive years; or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting.

Accordingly, based on the evaluation in terms of competency, independence and expertise, the Audit Committee and the Board of Directors of the Company, recommended to appoint M/s K. K. Sachdeva & Associates, Company Secretaries, as the Secretarial Auditors of the Company for a period of 5 consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of 38th Annual General Meeting to be held in the Year 2030 pursuant to provisions of Section 204 of the Companies Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 24A of SEBI (LODR) Regulations, 2015.

**Brief Profile:**

M/s. KKSachdeva&Associates, Practicing Company Secretary, having Membership No. F7153 and Certificate of Practice No. 4721 and peer review Certificate 1684/2022, is engaged in rendering the services in the areas of Corporate Laws, Security Laws, Registration of Companies, Partnership Firms, Societies, Trusts, NGOs, Legal Consultancy, Intellectual Property Rights, and Statutory Compliance Audit etc. It is the philosophy of the firm to be pro-active to their clients' requirements and provide widest spectrum of corporate services under one roof. They have set the standards of services rendered by their firm which include identifying the needs of the client and developing a plan to meet those needs in proactive manner. We firmly believe in rendering professional services of the highest order.

Mr. K K Sachdeva, FCS possesses more than 30 years of post-qualification experience as a full time practicing Company Secretary. His expertise includes compliance audit of private and public sector units, SEBI inspection due diligence of

companies.

**Eligibility:**

The Firm has confirmed that it is not disqualified and is eligible to be appointed as Secretarial Auditor of the Company under the Act, Listing Regulations and Circular(s) issued by SEBI in this regard and have given their consent for their appointment as Secretarial Auditor of the Company.

**Remuneration:**

The proposed remuneration payable to the Secretarial Auditor to conduct the Secretarial Audit for the Financial Year 2025-26 shall be INR 1,35,000 (India Rupees One Lakh Thirty Five Thousand Only) in addition to out of pocket expenses and subject to taxes as applicable.

The remuneration proposed to be paid to the Secretarial Auditor for the Financial Year 2025-26 till 2029-30 will be determined by the Board of Directors of the Company, basis the recommendation of the Audit Committee and in consultation with the Secretarial Auditor, which will be commensurate with the scope of work and other requirements as mutually agreed. The Company may also obtain the Annual Secretarial Compliance Report and such other certifications as may be required and permitted to be sought from Secretarial Auditor under the applicable laws and engage with them on the other services which are not prohibited by SEBI or any other authority.

The Audit Committee and the Board of Directors has recommended the appointment of M/s K. K. Sachdeva & Associates, as Secretarial Auditor of the Company, to the Members of the Company for their approval. The recommendation is based on various factors like fulfilment of eligibility criteria, capability, knowledge, expertise, industry experience, audit methodology, time and efforts required to be put in by them and reputation of the Firm.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

**Item No.05:****Ratification of Remuneration payable to Cost Auditor viz., M/s Satija & Co., for audit of cost records for the financial year 2025-2026**

The Company is required, under the provisions of Section 148(3) of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, to have audit of its cost records conducted by a cost accountant in practice.

The Board on the recommendation of Audit Committee, at its meeting held on 07<sup>th</sup> August, 2025, approved the reappointment of M/s Satija & Co., (Firm Reg. No. 004907), as the Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year ended the 31<sup>st</sup> March, 2026 at a remuneration of INR 1,25,000 (Indian Rupees One Lakh Twenty Five Thousand Only) plus applicable taxes thereon, and reimbursement of out of pocket expenses incurred during the course of audit.

M/s. Satija & Co., Cost Accountant, has furnished certificate confirming that they hold the valid Certificate of Practice under



Section 6(l) of the Cost Works Accountant Act, 1959. Further, the firm has confirmed that it is not qualified and eligible for such appointment.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, the consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the Financial Year ended the 31st March, 2026.

None of the Directors, Key Managerial Personal(s) and their relatives (to the extent of their shareholding in the Company, if any) are in any way, concerned or interested, whether financially or otherwise in this resolution.

The Board recommends the resolution set out in Item No. 05 of this notice for the approval of members as an Ordinary resolution.

#### **Item No.06:**

#### **Re-appointment of Shri. Jayant Davar (DIN: 00100801) as Executive Chairman (Executive Director) & Chief Executive Officer of the Company for 5 years w.e.f 01st January, 2026**

The Company, in terms of the Resolution dated the 23rd September, 2020 passed in the Annual General Meeting, on recommendation of Board of Directors, had appointed Shri Jayant Davar as Managing Director of the Company for a period of five years w.e.f. the 01st January, 2021 to 31st December, 2025. Concurring with the recommendations of the Nomination and Remuneration Committee, based on qualifications, experience and contribution of Shri Jayant Davar, the Board in its meeting held on 07th August, 2025, has decided to re-appoint him as Executive Chairman (Executive Director) & Chief Executive Officer for a further period of 5 (five) years w.e.f. the 01st January, 2026 to 31st December, 2030 at such terms and conditions as recommended by the Nomination and Remuneration Committee.

Shri Jayant Davar is the Founder, Chairman, Managing Director, and Chief Executive Officer of the Company. He holds a bachelor's degree in Mechanical Engineering from Thapar Institute of Engineering & Technology, Patiala, and has been conferred the Distinguished Alumnus Award by the Institute. He is also an alumnus of Harvard Business School, Boston, and Springdales School.

With over four decades of rich experience in the auto component industry, Shri Davar has been instrumental in shaping the Company's journey since its inception. His visionary leadership and strategic foresight have propelled the organization to the forefront of the industry, driving sustained growth and expanding its global footprint.

Beyond his leadership within the Company, Shri Davar is deeply engaged in various professional and industry bodies. He serves on the Board of several leading Companies and educational institutions. He is currently a Member of the Advisory Committee of Fraunhofer Gesellschaft, Germany; Advisor to the Automotive Component Manufacturers Association (ACMA); and Member of the Executive Committee of the National Council, Confederation of Indian Industry (CII). He also serves on the Sectoral Committee on Auto & Auto Components of the Haryana Government and is the Co-Chairman of the

Hero MotoCorp Suppliers Council.

In addition to his corporate responsibilities, Shri Davar is an active contributor to the start-up ecosystem—both as an investor and a strategic advisor—supporting innovation and fostering industry-wide collaboration.

Shri Jayant Davar is eminently qualified and has consistently demonstrated exceptional dedication, diligence, and foresight in the discharge of his duties. He has been a key driving force behind the Company's sustained growth and strategic development, providing exemplary leadership and vision throughout his tenure. Under his able stewardship, the Company has achieved remarkable results and attained significant milestones. Various initiatives implemented under his leadership — including cost optimisation, strategic management, sound corporate governance, and effective overall administration — have substantially contributed to the Company's continued success.

The main terms and conditions of re-appointment of Shri Jayant Davar as Executive Chairman (Executive Director) & Chief Executive Officer are given below:

**I) Salary**

S. No.	Particulars	
1	<b>Period</b>	5 years w.e.f 01 <sup>st</sup> January, 2026 Till 31 <sup>st</sup> December, 2030
2	<b>Designation</b>	Executive Chairman (Executive Director) & CEO
3	<b>Basic Salary</b>	INR 15,00,000/- per month The basic salary shall be subject to annual increments effective from the 1 <sup>st</sup> day of April each year, as may be approved by the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, having due regard to prevailing factors and in accordance with the Company's internal appraisal policy on increments. Provided, however, that such annual increment shall not exceed Twelve percent (12%) of the basic salary on an annualized basis. In the event that no increment is granted in any particular year, he shall be entitled to receive the cumulative increment in the subsequent year(s), subject to approval as aforesaid.

**II) Perquisites and Allowances:**

In addition to the basic pay as above, the following perquisites / allowances shall be paid to Shri. Jayant Davar, Executive Chairman (Executive Director) & CEO

S. No.	Particulars	
1.	<b>Housing</b>	Residential Rent Free furnished accommodation
2.	<b>Gas, electricity, water and furnishing</b>	Expenses incurred on Gas, Electricity, Water and furnishing subject to a ceiling of 10% of the Basic salary
3.	<b>Provident Fund</b>	12% of the Basic Salary
4.	<b>Medical Reimbursement</b>	Reimbursement of medical expenses incurred in India or abroad including hospitalization and surgical charges for self and travel thereto.
5.	<b>Leave Travel Assistance</b>	Payable as per the rules of the Company
6.	<b>Gratuity</b>	Not exceeding one-half month's basic salary for each completed year of services
7.	<b>Leave</b>	Leave shall be allowed with full pay and allowances as per the rules of the Company
8.	<b>Club Fees</b>	Fees of clubs, subject to a maximum of 2 clubs
9.	<b>Personal Accident Insurance</b>	The company shall also reimburse/contribute the personal accident insurance premium
10.	<b>Provision of Car for the use on Company's business</b>	The Company shall provide car with driver in accordance with the Rules of the Company, at the cost of the Company for use of Company's car with driver for official business of the Company
11.	<b>Commission</b>	Effective from the 1 <sup>st</sup> January, 2026 - Commission payable to Shri Davar, as may be determined by the Board of Directors from time to time, based on the recommendation of the Nomination and Remuneration Committee, shall constitute a part of his overall remuneration. Provided, however, that the aggregate remuneration, including salary, perquisites, allowances and commission, shall not exceed the limits prescribed under the Companies Act, 2013 and the rules made thereunder, as amended from time to time, and shall be computed in accordance with the applicable provisions of the said Act and Regulations—specifically, up to 10% of the net profits calculated under Section 198 in the event of there being more than one Executive Director. Notwithstanding the foregoing, such remuneration may exceed the thresholds specified under Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which permits annual remuneration payable to an Executive Director in Promoter category to exceed ₹5 crore or 2.5% of the net profits of the listed entity, whichever is higher
12.	<b>Sitting Fees</b>	No sitting fees for attending meetings of Board or Committee.

## Minimum Remuneration:

### **In the event of inadequacy of Profit, the remuneration will be regulated by Schedule V of the Companies Act, 2013.**

The Board of Directors considers the re-appointment of Shri Jayant Davar to be in the best interest of the Company. It is pertinent to note that as per Section 196 and 197 of the Companies Act, 2013 the appointment and remuneration of Executive Director shall be approved by the shareholders of the Company.

The Company has received all statutory disclosures / declarations from Shri. Davar, including consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014 ("the Appointment Rules"). Further, he satisfies all the conditions set out in Part - I of Schedule V of the Companies Act, 2013 and also the conditions set out under Section 196(3) of the said Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 and 196 of the said Act. Further, he is not debarred from appointment by any order of SEBI or any other authority.

The remuneration details and terms and conditions as set hereinabove may be treated as a written memorandum setting out the terms of appointment pursuant to Section 190 of the Companies Act, 2013.

Except Shri Jayant Davar, Smt. Monica Davar and Shri. Neel Jay Davar none of the Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their shareholding, if any) are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) in respect of his appointment is given in the Annexure to the Notice.

## **Item No. 07**

### **Approval for the Increase in the borrowing limits of the Company**

The Company at its Annual General Meeting held on 09th July, 2014 authorized the Board of Directors of the Company by way of Special Resolution under Section 180(1)(c) of the Companies Act, 2013 to borrow the money (apart from temporary loans from time to time obtained from the Company's Banker in the ordinary course of business) in excess of the paid up capital of the Company and its free reserves provided that the sum or sums so borrowed and remaining outstanding at any point of time shall not exceed INR.600 Crores.

Since then, the Company has witnessed substantial growth in its scale of operations. With the ongoing expansion of business activities and the formulation of capital-intensive plans, the financial requirements of the Company have significantly increased. Consequently, the existing borrowing limit of INR 600 Crores is no longer adequate to support the evolving funding needs of the Company.

However, pursuant to the provision of Section 180(1)(c) of the Companies Act, 2013 ("the Act") since then notified, the Board can exercise such borrowing powers only with the prior approval of the Members of the Company by way of Special Resolution where the money to be borrowed, together with

the money already borrowed by the Company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business. Further, in view of the increasing business operations and future growth plans of the Company, the Board of Directors in its meeting held on 07<sup>th</sup> August, 2025 approved and recommend to increase the borrowing limit of the Company to INR. 1200 Crore from any Banks, Financial Institutions or Non-Banking Financial Companies or any other institution(s), firm(s), body corporate(s), or other person(s) or from any other source in India or outside India, subject to approval of the Members of the Company.

This increased limit is necessary to provide the Board with the flexibility to raise funds from time to time to support business growth, capital expenditure, and other financial needs of the Company.

None of the Directors, Key Managerial Personnel(s) and their relatives (to the extent of their shareholding in the Company, if any) are in anyway, concerned or interested, whether financially or otherwise in this resolution.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the members.

## **Item No. 08**

### **Approval for Increase in the limits for creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company**

To align the borrowing powers and security creation limits with the Company's present and projected financial requirements, the Board of Directors proposes to seek members' approval for authorising the Board to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings from time to time, in any manner as may be deemed necessary and in the best interest of the Company, including but not limited to creation of charges, mortgages, or hypothecations or other encumbrances on the whole or substantially the whole of the Company's properties and assets, whether movable or immovable, tangible or intangible, present or future, comprised in any undertaking of the Company, in favors of the Banks, Financial Institutions, Non-Banking Financial Companies or any other lenders from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company in respect of such borrowings.

The Company has borrowed and may continue to borrow funds, from time to time, to meet its financial obligations including project-based and general capital expenditure, working capital needs, and other general corporate purposes. In light of the Company's long-term growth strategy and in order to maintain financial flexibility, it is essential to enhance the limit for creating security on the Company's assets to secure such borrowings.

This approval will enable the Board to respond effectively to changing market conditions, seize strategic opportunities, and support the Company's operational and financial plans through funding from various sources.

Pursuant to Section 180(1)(a) of the Companies Act, 2013, Regulation 37A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board can exercise the power to sell, lease or

otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings including but not limited to creation of charges/mortgages/ hypothecation/ encumbrances, only with the prior approval of the members through a Special Resolution where it exceeds the prescribed thresholds. Accordingly, the resolution set out in Item No. 8 of the accompanying Notice is proposed for approval by the members as a Special Resolution.

Accordingly, the Board in its Meeting held on 07<sup>th</sup> August, 2025 has considered and approved the creation of charges, mortgages, or hypothecations or other encumbrances on the whole or substantially the whole of the Company's properties and assets, whether movable or immovable, tangible or intangible, present or future, comprised in any undertaking of the Company upto an aggregate amount of INR 1200 Crores subject to approval of the Members of the Company.

None of the Directors, Key Managerial Personnel, or their relatives (to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding in the Company, if any.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

#### Item No.9

##### **To consider the increase in Authorised Share Capital of the Company and consequent alteration to the Capital Clause of the Memorandum of Association**

To support future capital-raising initiatives and meet the Company's anticipated financial and operational needs, additional funds are required by the Company. Therefore, it is proposed to infuse funds in the Company by way of further issuance of shares. The current authorised share capital of the Company is INR 70,00,00,000 (Indian Rupees Seventy Crores only) and current paid-up share capital of the Company is INR 60,19,07,080 (Indian Rupees Sixty Crore Nineteen Lakhs Seven Thousand Eighty Only). Thus, to facilitate the further issuance of equity shares, the Board of Directors, at its meeting held on 07<sup>th</sup> August, 2025, approved the increase in the authorised share capital of the Company from INR 70,00,00,000/- (Indian Rupees Seventy Crores only) to INR 80,00,00,000/- (Indian Rupees Eighty Crores only). This requires an amendment to Clause V of the Memorandum of Association of the Company.

In accordance with Sections 61 and 64 of the Companies Act, 2013, such an increase in authorised share capital and the corresponding alteration to the Memorandum of Association require the approval of the members of the Company.

The Board recommends the resolution set out in Item No. 9 of the accompanying Notice for approval by the members as an Ordinary Resolution.

A copy of the amended Memorandum of Association will also be available for inspection by the Members during the meeting in electronic mode.

None of the Directors, Key Managerial Personnel, or their relatives have any financial or other interest in the proposed resolution.

#### Item No.10

##### **To consider and approve the raising of capital by way of Further Public Issue, Debt Issue, Rights Issue, Preferential Allotment, Private Placement, Qualified Institutions Placement (QIP) or Any Other Permissible Method/Mode.**

As part of the Company's growth strategy and with a view to augmenting its long-term financial resources, the Board of Directors ("the Board") proposes to raise funds for business expansion, general corporate purposes, and other strategic objectives. Accordingly, the Board seeks enabling approval from the Members to raise capital up to an aggregate amount not exceeding INR 500 Crores (Indian Rupees Five Hundred Crores only).

The fund-raising may be carried out through issuance of equity shares and/or other securities convertible into or linked with equity shares (collectively referred to as "Eligible Securities"), including but not limited to fully or partly convertible debentures, warrants, convertible preference shares, or any combination thereof. The issuance may also include Non-Convertible Debentures (NCDs) and Bonds as Debt Securities, either standalone or along with equity or equity-linked instruments, by way of Qualified Institutional Placement (QIP), private placement, public offer, or any other mode as permitted under applicable laws.

While the specific nature and terms of the instrument(s) will be determined at a later stage, the aggregate proceeds from all such issuances shall not exceed the overall limit of INR 500 Crores. Any equity shares issued upon conversion of Eligible Securities shall rank pari-passu in all respects with the existing equity shares of the Company.

The proposed resolution is an enabling one, empowering the Board (including any committee thereof) to decide on the structure, timing, pricing, and terms of the issuance(s) in consultation with lead managers, book running lead managers, advisors, and subject to prevailing market conditions, regulatory requirements, and applicable laws. These include the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Companies Act, 2013 and rules thereunder, and other applicable rules/regulations/ circulars/guidelines issued by SEBI, RBI, MCA and Stock Exchanges

The Board, at its meeting held on 07<sup>th</sup> August, 2025, approved the proposal to raise funds by way of issue of equity shares of face value INR 10 each and/or other Eligible Securities, in one or more tranches, whether in rupee denomination or otherwise, at such price or prices (including at a premium or discount) as may be permitted under applicable law.

In terms of Section 42 and 62(1)(c) of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014, approval of Members by way of a Special Resolution is required for any offer or allotment of securities to persons other than existing shareholders, including by way of private placement/ preferential issue. The proposed issuance of securities, including QIP, may be made to such categories of investors as the Board may determine, in accordance with applicable law.

The securities proposed to be issued shall be listed on the stock exchange(s) where the Company's equity shares are currently listed. Any issuance to foreign investors or conversion of securities held by them shall be subject to compliance with



applicable foreign investment limits and the provisions of FEMA, Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, and Foreign Exchange Management (Debt Instruments) Regulations, 2019, including any amendments thereto.

Necessary disclosures, as required under SEBI Listing Regulations, will be made to Stock Exchange as may be required. The proposed issue will not result in a change in control of the Company.

None of the Promoters, Directors, Key Managerial Personnel, or their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set out in Item No. 10 of the accompanying Notice for approval of the Members by way of Special Resolution.

**By Order of the Board  
For Sandhar Technologies Limited**

**Sd/-  
YASHPAL JAIN  
Chief Financial Officer & Company Secretary  
ICSI Membership Number: A13981**

**Place: Gurugram, Haryana  
Dated: 07<sup>th</sup> August, 2025**

**Registered Office:**

B-6/20 L.S.C. Safdarjung Enclave,  
New Delhi-110029

CIN: L74999DL1987PLC029553

Phone: 0124-4518900

Fax: 0124-4518912

Email: [info@sandhar.in](mailto:info@sandhar.in)

Website: [www.sandhargroup.com](http://www.sandhargroup.com)

**ANNEXURE-1**

Brief resume of director seeking Appointment/Re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards (SS-2).

Name of the Director	Jayant Davar	Neel Jay Davar								
DIN	00100801	09201336								
Date of Birth	18/10/1961	16/08/1997								
Age	63	27								
Nationality	Indian	Indian								
Date of first Appointment in the Board	24/10/1987	06/08/2021								
Qualification(s)	Bachelors’ degree in mechanical engineering from the Punjabi University, Patiala	B S Industrial Engineering and Operations from the University of California, Berkeley.								
Experience/Expertise in specific Functional Area	Four decades of experience in the auto components sector	Software Development and prototyping								
Past Remuneration	Details have been provided in the Corporate Governance Report which forms the part of the Annual Report 2024–2025.	Being a Non–Executive Director, Shri Neel Jay Davar does not receive any fixed remuneration. He has received sitting fees for attending the Board meeting.  The details of the sitting fees paid to him during the financial year ended 31 <sup>st</sup> March, 2025 have been provided in the Corporate Governance Report which forms part of the Annual Report.								
Terms and Conditions of appointment/ re–appointment including the Remuneration to be paid	Re–appointment as the Executive Chairman (Executive Director) & CEO from 01 <sup>st</sup> January, 2026 to 31 <sup>st</sup> December, 2030.  The remuneration details (effective from 01 <sup>st</sup> January, 2026) are given in the Explanatory Statement of this Notice.	Re–appointment as Non–Executive Non–Independent Director, liable to be retire by rotation. Shri. Neel Jay Davar would not paid any fixed remuneration.  Shri. Neel Jay Davar would be entitled to the sitting fees for attending the Board and Committee Meetings, as may be decided by the Board from time to time								
Board Membership of listed Companies	HEG Limited	NIL								
Committee of the Board of (Sandhar Technologies Limited)	1. Corporate Social Responsibility Committee 2. Stakeholders’ Relationship Committee 3. Finance and Strategy Committee 4. Share Transfer & Allotment Committee	N.A.								
Committee of the Board of (Other Companies)	HEG Limited <table><tr><td>Name of the Committee</td><td>Member/ Chairman</td></tr><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Stakeholder Relationship Committee</td><td>Member</td></tr><tr><td>Board Committee for Shares</td><td>Member</td></tr></table>	Name of the Committee	Member/ Chairman	Audit Committee	Member	Stakeholder Relationship Committee	Member	Board Committee for Shares	Member	N.A.
Name of the Committee	Member/ Chairman									
Audit Committee	Member									
Stakeholder Relationship Committee	Member									
Board Committee for Shares	Member									
Resignation during last three years from listed entity	N.A.	N.A.								
Relationship with Directors and Key Managerial Personnel	Shri. Jayant Davar is related to Smt. Monica Davar and Shri. Neel Jay Davar, Directors of the Company	Shri Neel Jay Davar is related to Shri. Jayant Davar and Smt. Monica Davar, Directors of the Company.								
Number of Shares held in the Company as on June 30, 2025	3,30,56,928	15,55,995								
Capacity/ Position	Executive Chairman (Executive Director) & CEO	Non–Executive Non–Independent Director								

<b>Number of the Meetings of the Board attended during the financial year ended 31<sup>st</sup> March, 2025</b>	5 Board Meeting were held during the Financial Year ended 31st March, 2025.  All these meetings were attended by him.	5 Board Meeting were held during the Financial Year ended 31st March, 2025.  4 meetings were attended by him.
<b>Brief Resume, Qualification, Nature of Expertise, terms &amp; conditions of appointment</b>	As stated in explanatory statement	<p>Shri. Neel Jay Davar is a Non-Independent, Non-Executive Director of our Company. He holds a degree in Engineering from the University of California, Berkeley. He is the son of Shri Jayant Davar (Chairman, Managing Director and Chief Executive Officer) and Smt. Monica Davar, (Non-Executive Director), and the grandson of the Late Shri Dharmendar Nath Davar, (Chairman-Emeritus) &amp; Smt. Santosh Davar. He was appointed as a Director in August 2021. He has previously worked at Morgan Stanley, New York as a Member of the Wealth Management Team.</p> <p>Shri Neel Jay Davar, appointed as Non-Executive Non-Independent Director of the Company on 06<sup>th</sup> August, 2021. In terms of Section 152(6) of the Companies Act, 2013, he is liable to retire by rotation</p>



# Circuit of Progress

Engineering the Future of Smart Mobility



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## Corporate Overview

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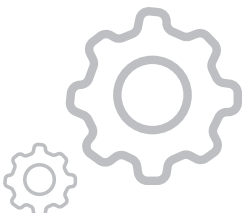
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# Pathways We Build Together

## Where Every Connection Powers Progress

From design to delivery, each integration at Sandhar is a step toward a smarter, safer, and more sustainable mobility future.

Every line, every intersection in this Annual Report is more than design, it's a symbol of how we think, build, and move forward. Like the intricate networks powering mobility, Sandhar thrives through connection, integration, and shared purpose. From embedded electronics to advanced manufacturing, every element works in harmony toward a single vision: smarter, safer, and sustainable mobility.

We don't just make components. We connect potential to progress. We don't just prepare for the future. We actively shape it.



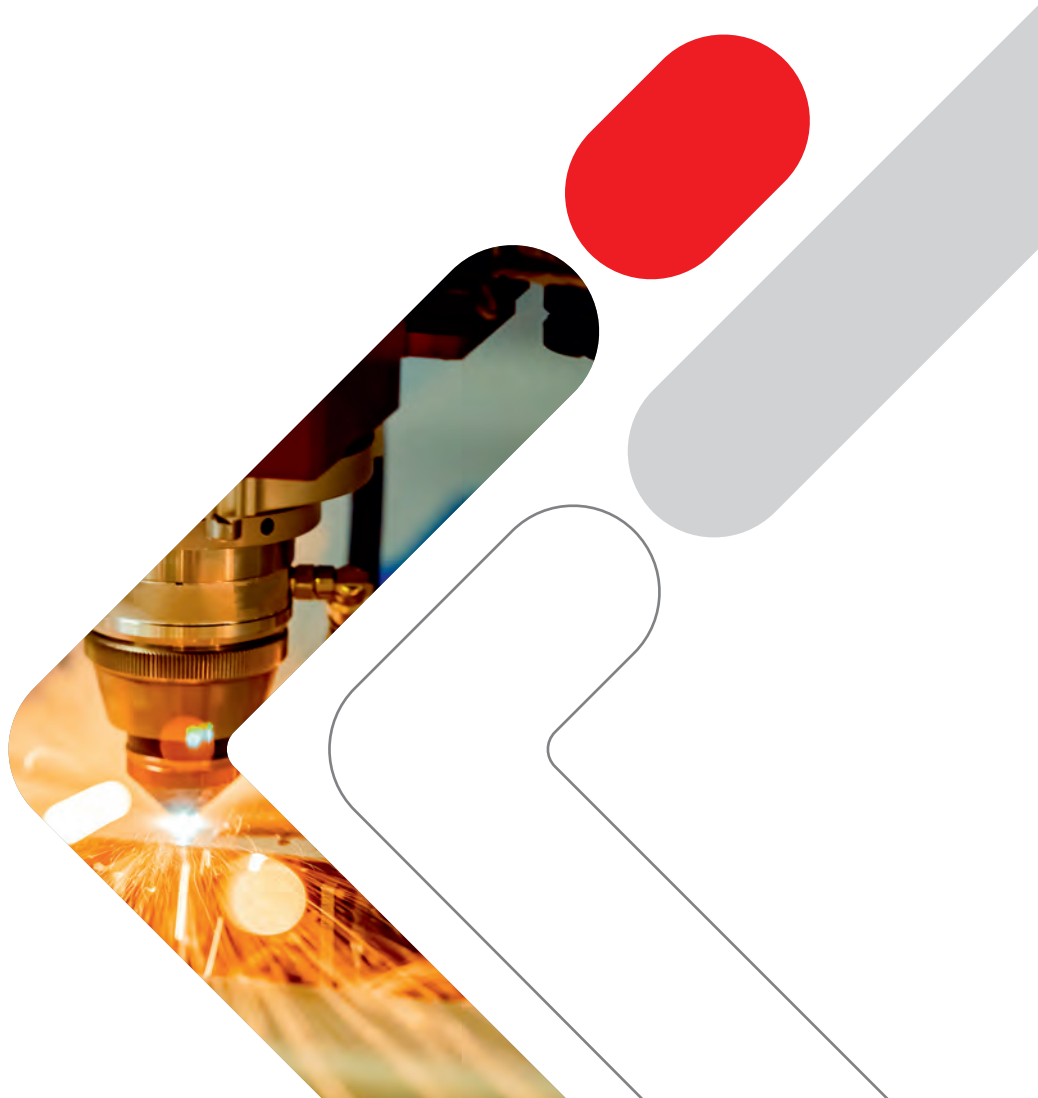
# Progress in Every Connection

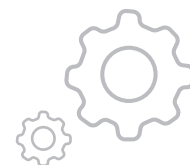
From concept to creation, every innovation strengthens our mobility ecosystem.

Integration that drives results, where every part, process, and partnership matters. Engineering that connects performance with possibility, value with vision.

Sandhar's journey is defined by seamless integration, collaborative strength, and purposeful direction. We are built to meet evolving needs, whether through next-gen safety components, smart assemblies, or precision-crafted structures, delivering solutions that make transportation smarter, cleaner, and more efficient.

When the right elements come together, progress isn't just possible, it's unstoppable.





## Emerging Opportunities, Expanding Horizons

Sandhar is well-positioned to tap into a range of evolving opportunities in the automotive and mobility space. As markets grow and technology advances, we continue to align our capabilities with the most promising trends shaping the industry today.



### Changing Demographics

A rising consumer base is fueling demand for personal and commercial mobility, boosting growth across the automotive and capital goods sectors.



### Globalization

Expanding markets are opening new avenues while making resource efficiency a priority.



### Digital Transformation

Rapid adoption of smart technologies is driving demand for advanced, integrated solutions across all vehicle categories.



### Sustainable Mobility

The shift to EVs and cleaner technologies is creating strong growth prospects for eco-conscious manufacturers like Sandhar.

As technology accelerates and consumer needs evolve, Sandhar stays ahead, aligning capabilities with the most promising trends shaping the road ahead.



# From Vision to Velocity

Three decades of engineering excellence, driven by a commitment to move the world forward.

What began in 1987 as precision craftsmanship is now a global force in smarter, safer, and more connected mobility. From smart locking systems to aerodynamic mirrors, from heavy-duty operator cabins to EV-ready aluminum components, every solution we create is part of a bigger system of progress.

Real innovation isn't just moving forward, it's moving forward with meaning. Our legacy continues to transform into leadership, one innovation, one connection, and one milestone at a time.



## Vision

To be the Most Preferred Choice of Global Stakeholders.



## Mission

To be the leading player in Global Markets with fully satisfied Stakeholders, maintaining cost effectiveness through innovative technology and optimum utilisation of talent and resources.

## What moves us?

Growth.

Motivation.

Better Life.

## A Core of Convergence

---

**S** Spirit of  
Accomplishment

**A** Appropriate  
Attitude

**N** Never Dying Passion  
for Excellence

**D** Dynamic

**H** Honest

**A** Accountable

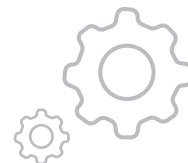
**R** Reliable

# Mobility, Mastered

From two-wheelers to EVs, our components power every journey with precision.

At Sandhar, every part matters. Every innovation connects. Together, they form a unified ecosystem for tomorrow's mobility, designed to adapt across platforms, from two-wheelers to commercial vehicles, from conventional engines to electric powertrains.





# PRODUCT RANGE



## AUTOMOTIVE DIVISION

Through our technological competencies, we manufacture and supply various high-quality and reliable auto component parts for our customers across globe.



## COMPONENTS DIVISION

As a part of strategy of being self dependent, through this division we meet the internal requirement of key materials and processes required for products manufactured at our automotive division.



## AUTOMACH DIVISION

One of the top companies in the two-wheeler steel wheels market of India, with our state-of-the-art manufacturing technologies and process for wheel forming, tri-nickel chrome plating, and assembly machines.



## CABINS AND FABRICATION DIVISION

For off-highway vehicle segment, we offer a diverse range of products that are high quality and cost effective consisting of precision steel metal components used in wheel loaders, cranes, tractors, hoe loaders, and excavators.

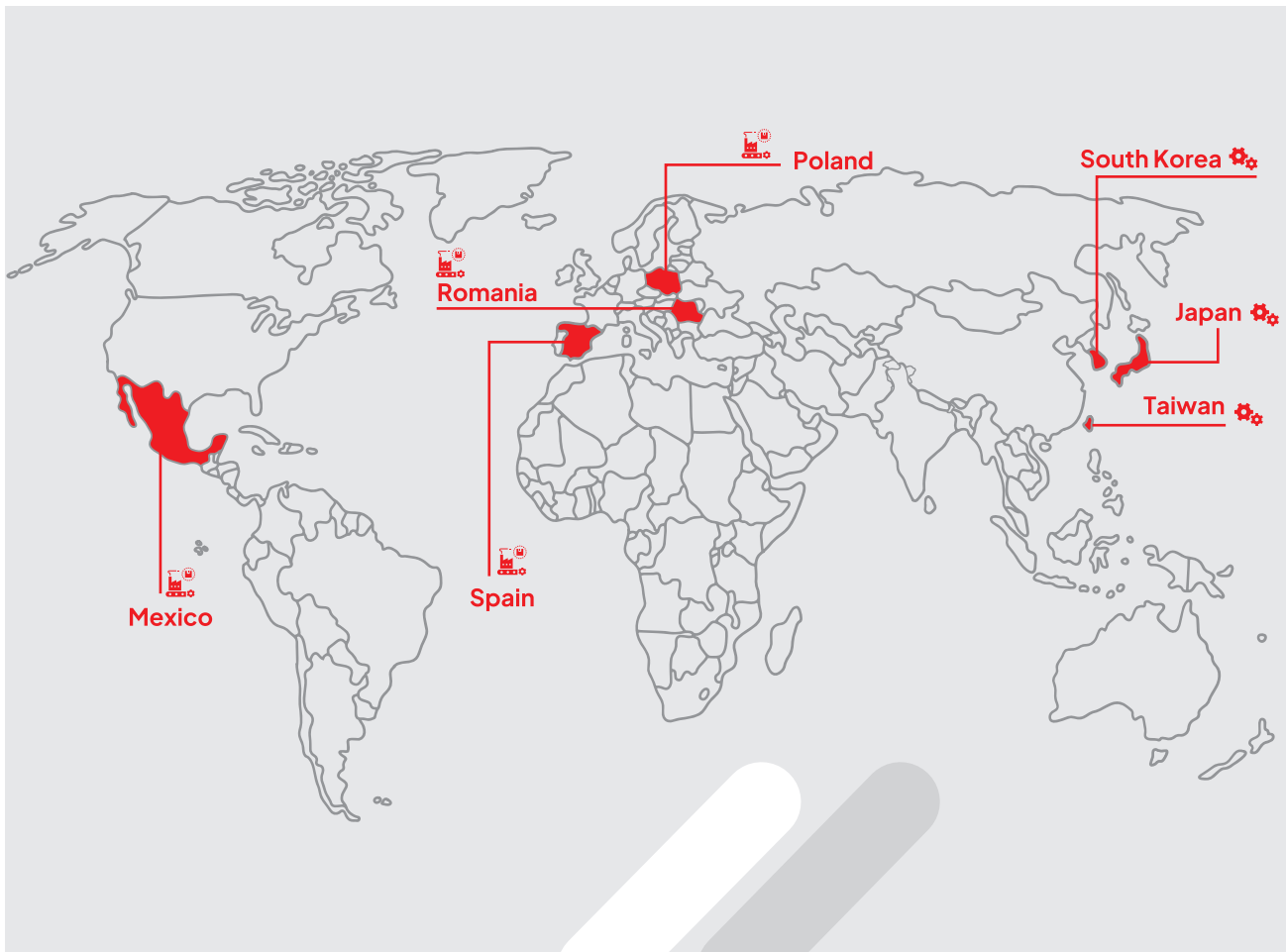


# Rooted in India, Connected to the World

Blending Indian manufacturing excellence with global collaborations to serve markets worldwide.

From a modest start in 1987, Sandhar is now a trusted global partner with 41 manufacturing facilities, a workforce of over 11,400, and strategic collaborations with leading players in Japan, South Korea, and Taiwan. Our presence spans India, Europe, and the NAFTA region, delivering solutions built on Indian engineering excellence and global innovation.

We are committed to Atmanirbhar Bharat, powering indigenous manufacturing, innovation, and job creation while scaling sustainably across borders.



# Our Global Footprint

## Manufacturing Facilities:

**Overseas:** Romania | Poland | Mexico | Spain

**India:** Uttarakhand | Haryana | Maharashtra | Gujarat | Tamil Nadu | Himachal Pradesh | Rajasthan | Karnataka

## Strategic Collaborations:

Japan | South Korea | Taiwan

## Key Metrics:

**41**

manufacturing  
facilities

**11,400+**

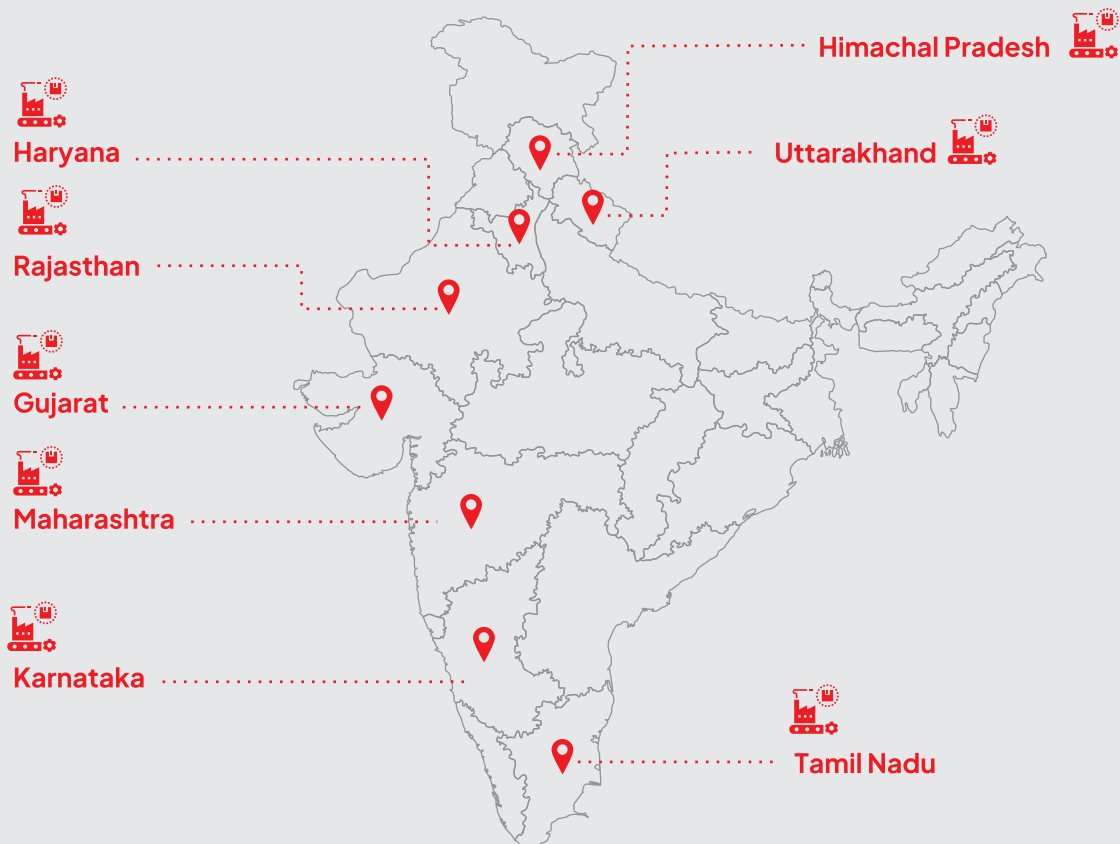
+ employees globally

**86%**

domestic revenue

**14%**

international revenue



# Driving Sustainability, Delivering Responsibility

Embedding environmental stewardship into every stage of our growth.

For Sandhar, progress is inseparable from responsibility to the planet, people, and future generations. We embed sustainability into every link of our value chain, lowering emissions, adopting renewable energy, designing lighter, more efficient components, and aligning with global climate goals.

Our growth strategy is built on: investing in emerging technologies and trends, scaling capacity to meet demand, expanding product portfolios, and strengthening long-term customer relationships.

Every action is a step toward a smarter, stronger, and greener tomorrow.

## Our Sustainability Pillars



### Climate Conscious

- Focus on lowering CO<sub>2</sub> emissions
- Adoption of renewable energy sources



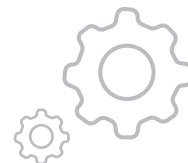
### Quality & Compliance

- Products and processes that meet global regulatory and safety standards



### Resource Efficient

- Optimized use of raw materials and energy
- Waste minimization across operations



## Strategic Actions for Sustainable Growth

**Forward-Focused. Customer-Centric. Innovation-Driven.**

At Sandhar, our growth isn't accidental—it's the result of focused strategies built around technology, scale, and customer value. As markets evolve, we stay ahead by aligning our actions with long-term mobility trends and emerging opportunities.



### Investing in Emerging Trends

We actively invest in research and development through joint ventures and global collaborations to stay ahead of the curve—identifying future market needs, adopting breakthrough technologies, and building differentiated solutions.



### Scaling with Demand

Driven by customer requirements, we expand capacity strategically—either by launching new manufacturing facilities or scaling up existing ones, ensuring agility and responsiveness across regions.



### Expanding Our Product Portfolio

With a strong foundation in safety and security systems, we continually innovate and diversify our product offerings to meet the growing and varied needs of our customers across vehicle segments.



### Deepening Customer Relationships

We focus on both customer acquisition and retention—expanding our base while strengthening ties with existing clients through consistent performance, innovation, and value creation.



### Value created

Every strategy we adopt is a step toward building a smarter, stronger, and more sustainable Sandhar.





# Partnerships that Drive Progress

Collaborating with industry leaders to co-create value and shape mobility's future.

Our customers are collaborators in innovation. From leading OEMs in two-wheelers, four-wheelers, and commercial vehicles to emerging EV platforms, we co-create solutions built on trust, performance, and shared ambition. With every partnership, we build more than products, we build progress.



We pride ourselves on being responsive, reliable, and relentlessly focused on quality. Our enduring partnerships with leading OEMs across the automotive and non-automotive sectors stand as a testament to our customer-first mindset.

With a presence across **India, Europe, and NAFTA** regions, we tailor our products to local needs and global standards—ensuring precision, performance, and timely delivery, every time.

**For us, success isn't just what we build—it's who we build it with.**

## 2/3 Wheeler



## 4-Wheeler



## CV & OHV



## 2 Wheelers EVs



## EVs Commercial Vehicles



# धर्मो रक्षति रक्षितः

“When we uphold our values,  
our values uphold us.”



## Dear Members of the Sandhar Family,

Writing this message each year feels less like a routine exercise and more like a heartfelt conversation with every individual who has been part of our journey. Whether you have been with Sandhar since the early days or joined us along the way, I want to begin simply by saying—thank you.

As I pause to reflect, it's never just about numbers or milestones. It's about the spirit of the times we live in. This past year, India did not just grow—it stood tall and asserted itself with clarity, courage, and conviction. It was a year when the nation's story went beyond GDP figures and policy reforms; it was a story about grit, resilience, and bold ambition.

From the triumphant Chandrayaan and Gaganyaan missions to the transformative rollout of digital public infrastructure; from rapid strides in AI and semiconductor development to massive investments in highways, energy, and logistics—India isn't just preparing for the future, it is designing it on its own terms. As India transitions from being a hub of talent to a hub of technology, Sandhar is ready—and eager—to play a vital role in this unfolding story.

This year, we lost a towering figure in Sandhar's journey—our beloved Chairman Emeritus, **Shri D. N. Davar**. His values, vision, and leadership laid the foundation on which we continue to build. For all of us who had the privilege of learning from him, he was much more than a leader—he was a compass, always pointing us toward what was right. Though he is no longer with us in person, his spirit continues to guide every decision, every challenge, and every success. He will remain forever etched in our hearts and our history and as we step into this new chapter, we do so with a sense of carrying forward his legacy and beliefs.

## A Landmark Year for Sandhar

For Sandhar, FY 2024–25 was not just a year of strong performance—it was a year of transformation. We crossed our highest-ever consolidated revenues, deepened our partnerships, and strengthened our position as a trusted partner in our customers' growth stories.

But more importantly, we made choices that will define our tomorrow. Our acquisition of the aluminum die-casting business from Sundaram Clayton was not just strategic—it was cultural. We welcomed a legacy of precision and quality that resonates deeply with our own

## Chairman's Message

values. Together, we are building the capacity and capability to lead the next generation of mobility solutions.

Our EV-focused subsidiary, Sandhar Auto Electric Solutions, moved decisively from concept to reality. With three key product lines already in motion and more in development, we are poised to serve a world rapidly embracing clean, connected, and intelligent mobility.

But the Sandhar story is not confined to India. It never has been.

Our **joint ventures**, too, saw strong momentum. Strategic partnerships with global leaders have helped us bring world-class technologies into India, while taking Indian manufacturing capabilities to the world. These alliances are more than commercial arrangements—they are collaborations of trust, shared ambition, and long-term vision.

### Growing Responsibly

We recognize that true growth is inseparable from care—for our planet, our people, and our communities. From zero liquid discharge systems and solar energy adoption to vocational training for women through Swabhimaan and impactful healthcare and education initiatives via the Sandhar Foundation, we are not just building components—we are building dignity, opportunity, and lasting impact.

Our factories are becoming smarter, our teams more empowered, and our systems more responsible. And through it all, we hold fast to a simple but powerful principle: do what is right, even when no one is watching.

### Looking Ahead

The road before us is brimming with possibility. The automotive world stands on the edge of a revolution—AI, autonomous systems, sustainable materials, digital twins. We don't have to chase the future; we must be ready to embrace it.

At Sandhar, we are preparing not only for the products of tomorrow but for the purpose of tomorrow—a future where mobility is efficient and inclusive; where technology is not only smart but sensitive; where business is not just profitable but purposeful.

### In Gratitude

As I echo on all that we've achieved, I'm reminded that our journey has never been a solo endeavour. It's been built on countless relationships—quiet, steady, and full of faith.

Earlier this year, I received a handwritten note from one of our long-standing suppliers—a small tooling company we've worked with for over two decades. He wrote, "When we started, we were three people in a rented shed. You placed your first order with us before we had a signboard on the gate. That one order kept our lights on for six months. And since then, we've never looked back."

Today, they're a thriving second-generation-run company, but they still say, "We grew because Sandhar believed in us when others wouldn't."

That is the kind of trust we strive to build—with every stakeholder. Not just transactions, but partnerships rooted in shared growth.

To our employees—you are the heart and soul of Sandhar. Your creativity, grit, and integrity define who we are.

To our customers and partners—your trust is our greatest asset, and we are honored to grow alongside you.

To our investors and board—thank you for your unwavering faith and the freedom to lead with conviction.

And to everyone reading this—thank you for believing in our vision and values.

Let us step forward into the future not with fear, but with faith; not with haste, but with clarity; and always, always with integrity.

Warm regards,

**Jayant Davar**

Chairman, Managing Director  
and Chief Executive Officer  
Sandhar Technologies Ltd.

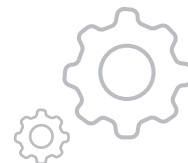


# Profile of

## Board of Directors







1

**Shri Jayant Davar** is the Founder, Chairman, Managing Director and Chief Executive Officer of the Company.

Shri. Jayant Davar holds a bachelor's degree in Mechanical Engineering from Thapar Institute of Engineering & Technology, Patiala and has been conferred with the distinguished Alumnus Award by his Engineering College, Thapar Institute of Engineering and Technology (TIET)-Patiala. Shri. Davar is also an alumni of Harvard Business School, Boston and the Springdales School. He has a rich experience of over four decades in the auto component sector and is actively involved with several professional bodies. He is on the Board of several leading Companies and Educational Institutions and is presently Member of Advisory Committee of Fraunhofer Gesellschaft, Germany and Advisor to Automotive Component Manufacturers Association (ACMA). He is also a Member of Executive Committee in National Council, Confederation of Indian Industry (CII). He is also a Member of Sectoral Committee on Auto & Auto Components of Haryana Government. He is also a Co-Chairman of the Hero Motocorp Suppliers Council.

As founder, he has played a pivotal role in shaping the company's trajectory to success. His visionary leadership and strategic acumen have been instrumental in steering the organization towards achieving its goals and surpassing milestones.

Under his stewardship, the company has witnessed remarkable growth and expansion, cementing its position as a market leader in the industry.

In addition to his role as Chairman, Managing Director and Chief Executive Officer, he is actively involved in various industry forums and associations, contributing his expertise towards driving positive change and fostering industry-wide collaboration both as an investor and a strategic advisor, in the space of start-up ecosystem.

2

**Smt. Archana Capoor** is an Independent Director of our Company from November, 2018. Smt. Capoor holds a Masters' degree in Business Administration with specialization in Finance and Market Research, University of Allahabad, UP (India). She has a versatile profile in different sectors such as Tourism, Banking & Finance and Social. She is an Independent Director of total 6 listed Companies (including Sandhar), 2 Public Company, 1 Private limited Company and since 2014 also a Member Secretary and Project Director of an NGO i.e. Indian Trust for Rural Heritage and Development (ITRHD). She has over 38 years of work experience in Finance and International Business.

3

**Shri Vikrampati Singhania** is an Independent Director of the Company. He is Vice President of Automotive Component Manufacturers Association of India (ACMA). In addition, he is member of the Managing Committee of the Associated Chambers of Commerce & Industry of India (ASSOCHAM). He is also member of the Fuqua Indian Advisory Board of Duke University, USA.

Shri Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organisation. J.K. Organisation is 140 years old business house with leadership across multiple sectors. The Group is present in over 100 countries apart from all India presence with annual sales revenue of over US\$ 5 billion. The Group manufactures and markets a wide range of products from Paper, Automobile Tyres, Cement, Auto & Industrial Components, Textiles, Agri Products etc.

Shri Singhania did his Master's Degree in Commerce from Kanpur University and MBA from Fuqua School of Business, Duke University, USA.

Shri Singhania is a Director of J.K. Organisation, Managing Director of J.K. Fenner (India) Ltd, one of the leading automotive parts manufacturing company in the country. He is also Managing Director of JK Agri Genetics Ltd, which produces and markets hybrid seeds.

4

**Shri Sandeep Dinodia** is a Bachelor of Commerce from Shriram College of Commerce, Delhi University and L.L.B. from Delhi University in 1986. He is a F.C.A. from the Institute of Chartered Accountants of India, since 1984. He is an empanelled as a Peer Reviewer with ICAI.

Shri. Dinodia is a senior partner of S.R. Dinodia & Co. LLP, Chartered Accountants where under his expert guidance and supervision the firm conducts assurance and consultancy services.

Shri. Dinodia's provides strategic guidance to large companies on corporate governance, regulatory compliance, and financial management, helping firms navigate complex legal and financial landscapes to achieve sustainable growth and diversification. He is also the co-chair of the PHD Chambers' Corporate House Committee.

5

**Shri Arjun Sharma**, an Independent Director of the Company, is a distinguished business leader shaping India's retail, hospitality, and tourism landscape. As Chairman of the Select Group, he has been instrumental in developing Nexus Select Trust-India's first shopping centre REIT-in partnership with Blackstone, comprising 19

world-class malls across 14 cities with over 10.06 million sq. ft. of retail and office space, along with two premium hotels: Hyatt Regency Chandigarh and Oakwood Residence Whitefield Bangalore. He also leads Heritage Village Resorts in Goa and Manesar, known for their award-winning hospitality. A seasoned entrepreneur and travel and tourism professional, he played a pivotal role in scaling Le Passage to India and establishing its joint venture with TUI AG, creating India's leading travel business. He has been a Council Member of the World Travel & Tourism Council, India Initiative (WTTICII) since its inception in 2000 and served as its Chairman in 2010. Passionate about education and philanthropy, he chairs the Board of The British School, New Delhi, and actively supports various CSR initiatives.

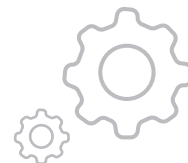
6

**Shri Bharat Anand** is an Independent Director of our Company. Shri Anand is a Partner in the Corporate and Commercial practice group and leads the Firm's NCR Delhi office. He is also a member of the Firm's National Executive Committee. Prior to joining Khaitan & Co, he had a successful career at the London offices of Freshfields from 2001 until 2009. Shri. Anand's practice spans a range of areas including Mergers and Acquisitions, Joint Ventures, Private Equity Transactions as well as being a Strategic Advisor on particularly complex or sensitive situations in India. He has a wide range of industry experience including Financial Services, Insurance, Renewable Energy, Telecom, Information Technology, Manufacturing and Consumer goods. He represents Financial Sponsors, Founders and family offices on Control Deals, Growth Capital Investments, Joint Ventures and Exits. He has also advised Indian and foreign clients on disputes in India.

7

**Shri Vimal Mahendru** is a strategic advisor with 35+ years of global leadership in standardization, governance, investment strategy, and sustainability. He is the first Indian recipient of the IEC's Lord Kelvin Award. Shri Mahendru advises boards and CXOs on market access, regulatory strategy, and leadership development, with a focus on digital transformation and sustainability. He is experienced in navigating cross-cultural business contexts, with trusted working relationships across Asia, Europe, and the Middle East. Skilled in building trusted, multilateral collaborations across regions and cultures.

Additionally, Shri Mahendru is presently the IEC Vice-President and Chair of the Standardization Management Board (SMB) on 1 January 2023. He is deeply involved in



many IEC activities since more than 11 years and has occupied leadership roles and assignments for more than 10 years. Shri Mahendru is currently also the IEC Special Envoy for UN Sustainable Development Goals (UNSDGs); member of the IEC Board Task Force on UN SDGs; Member of the IEC Business Advisory Committee (BAC); and Chair, Convenor or Co-Convenor for several SMB related boards, strategic groups, and ad hoc groups. He is also Chair of the IEC Systems Committee for Low Voltage Direct Current and Low Voltage Direct Current for Electricity Access (SyCLVDC).

Additionally, Shri Mahendru is currently the CEO of Valuon Strategic, India; member of the Electrotechnical Divisional Council of the Bureau of Indian Standards, Government of India, and engaged with governance at the Indian Electric and Electronic Manufacturers Association (IEEMA). Previously, Shri Mahendru was President of Legrand India and held leadership positions at Indo Asian Fusegear Limited.

8

**Smt. Aabha Bakaya** is the Independent Director of the Company. Smt. Bakaya is a prominent figure in TV journalism, known for her multifaceted roles across several esteemed news channels including Business Today, India TV group, ET Now, NDTV Good Times, and CNBC TV18 etc. Her career spans content curation, news reporting and conducting insightful interviews with industry leaders. Smt. Aabha Bakaya established herself as a thought leader contributing significantly in the field of finance, economy, and corporate affairs through her comprehensive reporting and engaging interviews.

Smt. Bakaya has done her Bachelor's Degree in Media and

Communication from the University of New South Wales and also holds Certificate in Creative Writing and Screen writing from Columbia University in the City of New York. And the Women in Leadership course from Wharton.

9

**Smt. Monica Davar** is a Non-Independent, Non-Executive Director of our Company. Smt. Davar was appointed as a Director in 1987. She completed her pre-university studies in the Commerce stream. She has over 25 years of experience in the auto components sector.

10

**Shri Neel Jay Davar** is a Non-Independent, Non-Executive Director of our Company. He holds a degree in Engineering from the University of California, Berkeley. He is the son of Shri Jayant Davar (Chairman, Managing Director and Chief Executive Officer) and Smt. Monica Davar, (Non-Executive Director), and the grandson of the Late Shri Dharmendar Nath Davar, (Chairman-Emeritus) & Mrs. Santosh Davar. He was appointed as a Director in August 2021. He has previously worked at Morgan Stanley, New York as a Member of the Wealth Management Team.

11

**Shri Gurvinder Jeet Singh** brings a wealth of experience, with a distinguished career spanning 36 years in the industry. He has dedicated over 20 years to Sandhar Technologies Limited, holding several key leadership roles. Throughout his tenure, he has played a pivotal role in driving strategic initiatives, managing greenfield projects, leading mergers and acquisitions, and overseeing the operations of various business verticals.

Currently, Shri. Singh serves as the Whole Time Director & Head- Corporate Strategy at Sandhar Technologies Limited. Prior to his tenure at Sandhar, he held the position of Head of Design and Development at Schefenacker Motherson Limited.

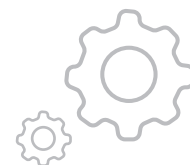
Shri. Singh is a qualified Tool Engineering professional and has further enhanced his skills through specialized courses on Manufacturing & Business Excellence.

# Committed to Community Development

Sandhar is deeply committed to community development, showcasing its dedication to social responsibility. By embracing sustainability and corporate citizenship, Sandhar positions itself as a conscientious and ethical leader, making meaningful contributions to both the environment and society.











## CSR Activities

Additionally, Sandhar actively engages in various community development initiatives, demonstrating its commitment to social responsibility. By prioritising sustainability and corporate citizenship, Sandhar establishes itself as a responsible and ethical player, contributing positively to the environment and society at large.

 <b>Health Care</b>	<b>Sandhar Healthcare Centre - Village Begumpur Khatola, Gurugram</b>	<b>Sandhar Foundation</b>
 <b>Education</b>	<b>Sandhar ke Beti Sandhar Centre of Learning - Devli Sangam Vihar</b>	<b>Spring Dales Education Society Khushi NGO</b>
 <b>Skillling &amp; Vocational</b>	<b>Swabhimaan</b>	<b>Spring Dales Education Society</b>
 <b>Senior Care</b>	<b>Adopt a Gran</b>	<b>Spring Dales Education Society</b>





# CORPORATE INFORMATION FOR THE FINANCIAL YEAR 2024–25.

## Board of Directors

### Shri Jayant Davar

Chairman, Managing Director & Chief Executive Officer

### Smt. Archana Capoor

Non-Executive, Independent Director

### Shri Vikrampati Singhania

Non-Executive, Independent Director

### Shri Vimal Mahendru

Non-Executive, Independent Director

### Shri Bharat Anand

Non-Executive, Independent Director

### Shri Arjun Sharma

Non-Executive, Independent Director

### Smt. Aabha Bakaya

Non-Executive, Independent Director

### Shri Sandeep Dinodia

Non-Executive & Non-Independent Director\*

### Smt. Monica Davar

Non-Executive & Non Independent Director

### Shri Neel Jay Davar

Non-Executive & Non-Independent Director

## Chief Financial Officer and Company Secretary

### Shri Yashpal Jain

## Audit Committee

### Smt. Archana Capoor

Chairperson

### Shri Sandeep Dinodia

Member

### Shri Vimal Mahendru

Member

### Smt. Aabha Bakaya

Member

## Nomination & Remuneration Committee

### Shri Vikrampati Singhania

Chairperson

### Smt. Archana Capoor

Member

### Shri Arjun Sharma

Member

## Stakeholder Relationship Committee

### Shri Arjun Sharma

Chairperson

### Shri Jayant Davar

Member

### Shri Vimal Mahendru

Member

### Smt. Aabha Bakaya

Member

## Risk Management Committee

### Shri Sandeep Dinodia

Chairperson

### Shri Vimal Mahendru

Member

### Smt. Aabha Bakaya

Member

### Smt. Monica Davar

Member

## Corporate Social Responsibility Committee

### Shri Jayant Davar

Chairperson

### Shri Vikrampati Singhania

Member

### Smt. Monica Davar

Member

## Finance and Strategy Committee

### Shri Jayant Davar

Chairperson

### Shri Vimal Mahendru

Member

### Shri Vikrampati Singhania

Member

### Shri Aabha Bakaya

Member

### Smt. Monica Davar

Member

## Share Transfer & Allotment Committee

### Shri Jayant Davar

Chairperson

### Smt. Archana Capoor

Member

### Shri Vimal Mahendru

Member

## Compliance Officer

### Shri Gulshan Ahuja

Plot No. 13, Sector 44, Gurgaon – 122002, Haryana – India  
Tel No: 0124–4518900  
Fax No: 0124–4518912  
Email: investors@sandhar.in

## Corporate Identity Number

L74999DL1987PLC029553

## Bankers/Financial Institutions

Citi Bank N.A;  
The Federal Bank Limited;  
Yes Bank Limited;  
HDFC Bank Limited;  
Kotak Mahindra Bank Limited;  
Bajaj Finance Limited;  
ICICI Bank Limited.

## Registered Office

B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029

## Corporate Office

Plot No. 13, Sector 44, Gurgaon – 122002, Haryana – India  
E-mail : investors@sandhar.in

## Registrar & Share Transfer Agent

M/s MUFG INTIME INDIA PRIVATE LIMITED  
(Formerly known as Link Intime India Private Limited)  
C-101, 1st Floor, 247 Park, L.B.S Marg, Vikhroli (West) Mumbai 400 083  
Tel: 8108116767  
Investor Grievance e-mail: rnt helpdesk@in.mpms.mufg.com  
Website: www.in.mpms.mufg.com

\* Shri Sandeep Dinodia has been re-designated as Non-Executive Independent Director of the Company w.e.f., 26<sup>th</sup> June, 2025 and approved by the members through Postal Ballot resolution dated 26<sup>th</sup> June, 2025.

# DIRECTORS' REPORT

DEAR SHAREHOLDERS,

The Board of Directors take pleasure in presenting its 33<sup>rd</sup> (Thirty Third) Annual Report on the business and operations of Sandhar Technologies Limited ("the Company") along with the Audited Financial Statements for the Financial Year ended the 31<sup>st</sup> March, 2025.

## FINANCIAL RESULTS

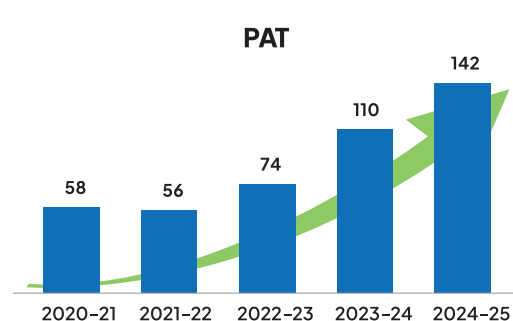
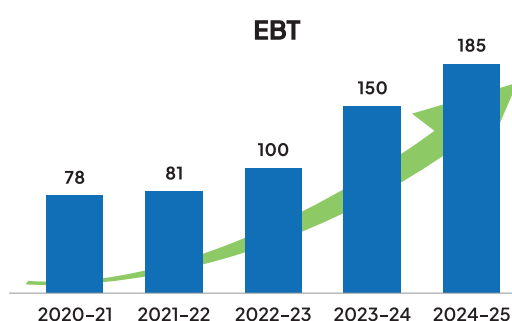
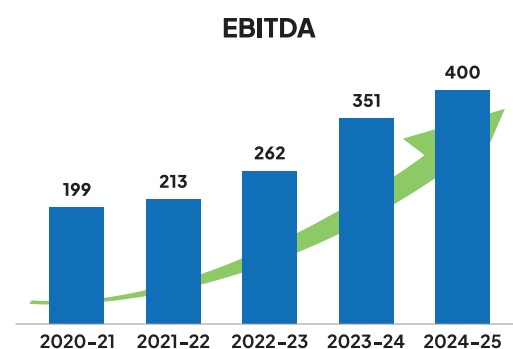
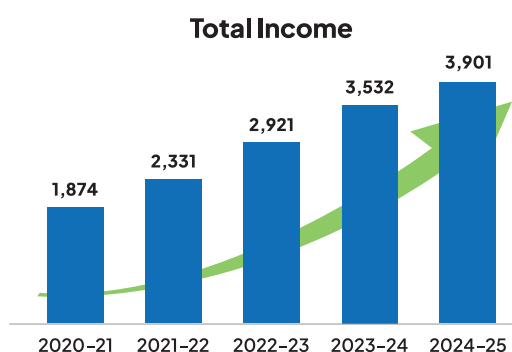
The summary of the standalone and consolidated financial results of the Company for the year ended 31<sup>st</sup> March, 2025, is as follows:

(INR. in Lacs)

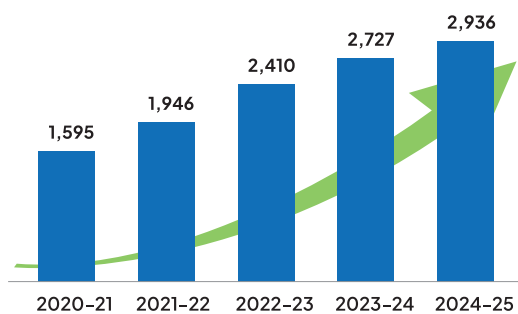
Corresponding figures for the previous year have been regrouped / recast wherever necessary to correspond to current year / year Classification	Standalone		Consolidated	
	Financial Year		Financial Year	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue and other Income	2,93,627.99	2,72,733.74	3,90,103.63	3,53,189.78
EBITDA as per financial statements	30,045.00	26,343.82	39,978.80	35,139.90
Less: Financial Expenses	(2,048.86)	(1,378.65)	(5,660.89)	(5,151.77)
Profit before Exceptional Items, Depreciation & Tax	27,996.14	24,965.17	34,317.91	29,988.13
Less: Depreciation	(9,686.19)	(8,977.19)	(17,060.12)	(15,362.07)
Profit Before Exceptional Items and Tax Provisions	18,309.95	15,987.98	17,257.79	14,626.06
Add: Share in profit of joint ventures	-	-	969.87	394.56
Add/ (Less): Exceptional items	304.33	(555.95)	231.70	-
Less: Tax Provisions	(4,651.57)	(4,206.91)	(4,295.12)	(3,994.52)
Net Profit After Tax Provisions	13,962.71	11,225.12	14,164.24	11,026.10
Add: Other Comprehensive Income/(Expense)	(115.07)	159.24	62.89	143.40
Total Comprehensive Income	13,847.64	11,384.36	14,227.13	11,169.50
Less: Profit attributable to Non-controlling interest	-	-	-	(48.34)
Less: Appropriations:	-	-	-	-
Dividend	(1,956.20)	(1,504.77)	(1,956.20)	(1,507.78)
Adjustment on account of acquisition of interest in subsidiary	-	-	-	0.62
Balance carried forward in Balance Sheet	11,891.44	9,879.59	12,270.93	9,614.00

## Financial Highlights 5 Years – Consolidated

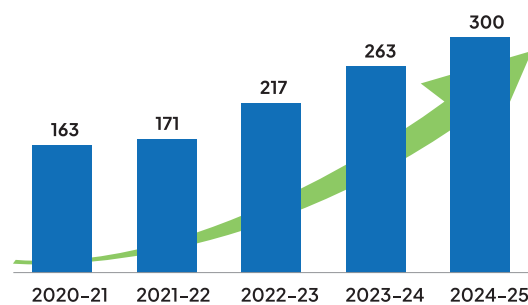
(fig. in ₹ Crs.)



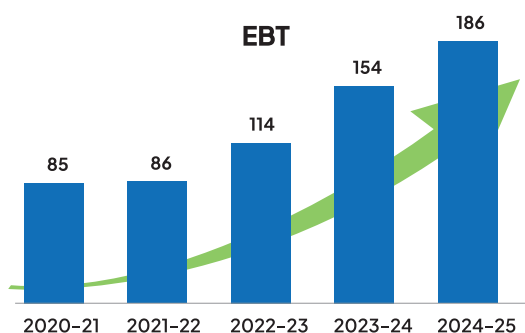
## Total Income



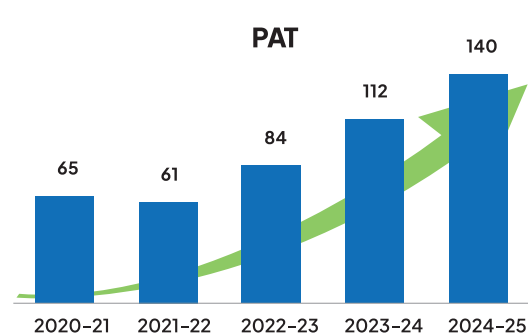
## EBITDA



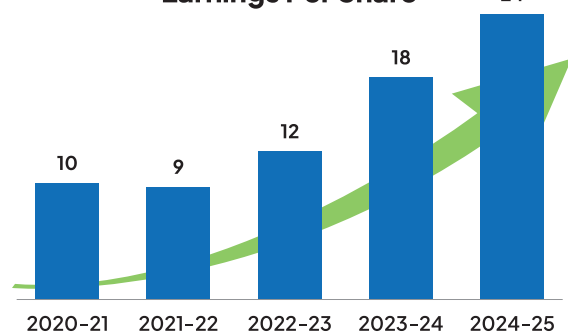
## EBT



## PAT



## Earnings Per Share



## INDUSTRY UPDATES

India's currently ranked as the 4<sup>th</sup> largest automotive market globally, its automotive sector is undergoing a transformation shaped by evolving consumer preferences, technological advancements, and sustainability goals, and contributes 7.1% to the nation's GDP. The rise of electric vehicles (EVs), coupled with innovations in autonomous driving and connected vehicles, is pushing Indian manufacturers to re-think their strategies and invest heavily in research and development (R&D).

The Indian automobile industry demonstrated strong and resilient growth during the financial year 2024-25, with domestic sales expanding by 7.3% and exports surging by 19.2%. This performance reflects robust consumer demand, enhanced infrastructure investments, supportive government policies, and continued emphasis on sustainable mobility. Sound economic policies and overall positive market sentiments helped the industry in maintaining the growth momentum.

In FY 2024-25, automobile industry showed a broadly positive performance. Passenger Vehicles (PV) achieved record sales of 4.3 million units, with a growth of 2% year-on-year, with Utility Vehicles (UVs) contributing 65% of total PV sales. Growth was supported by new feature-rich models, consumer demand, and promotional offers. PV exports hit a record 0.77 million units, growing 14.6%, driven by demand in Latin America and Africa. Two-Wheelers grew by 9.1% with the sale of 19.6 million units, led by scooters segment and rising rural demand, with EVs crossing a 6% share. Exports rose 21.4% to 4.2 million units. Three-Wheelers also reached a new peak with 7.4 lakh units sold (up 6.7%), supported by strong passenger demand and e-mobility adoption; exports grew 2.3% to 3.1 lakh units. Commercial Vehicles (CV) declined slightly by 1.2%. While truck sales dipped, higher GVW adoption and infrastructure growth supported freight movement and bus sales. CV exports grew strongly by 23% to 0.81 lakh units.

In FY 2025-26, the automobile industry is expected to sustain its growth momentum, supported by stable macroeconomic conditions, continued infrastructure spending, and proactive government policies. A normal monsoon forecast is likely to boost rural demand, while personal income tax reforms and recent RBI rate cuts are set to enhance vehicle financing accessibility. Export demand remains strong, particularly in Africa and neighboring countries, where 'Made in India' vehicles continue to gain traction. The industry will remain vigilant of evolving global geopolitical developments and macroeconomic trends that may influence demand and supply chain dynamics.

## OPERATING RESULTS &amp; BUSINESS PERFORMANCE

**On Consolidated basis**, the Company recorded an increase in **revenue from operations** by 10%. The Revenue from Operations increased to INR 3,88,450.22 Lacs during the FY 2024-2025 compared to INR 3,52,110.79 Lacs of the previous year. The underlying **EBITDA** margin for FY 2024-2025 stood at 10.29%, as against 9.98% in FY 2023-2024. The Company

earned a **Profit Before Tax (PBT)** of INR 18,459.36 Lacs during the FY 2024–2025 compared to INR 15,020.62 Lacs during the previous year registering an increase of 22.89%. The **Profit After Tax (PAT)** increased by 28.46% to INR 14,164.24 Lacs in the FY 2024–2025 as compared to INR 11,026.10 Lacs in the previous financial year.

On **Standalone basis**, the Operating revenue of the Company recorded an increase of 7.27% during FY 2024–2025 over previous year. The **Revenue from Operations** increased to INR 2,91,303.56 Lacs during the FY 2024–2025 compared to INR 2,71,566.55 Lacs during the previous year. The **Profit Before Tax (PBT)** increased by 20.62% to INR 18,614.28 Lacs in the FY 2024–2025 compared to INR 15,432.03 Lacs in the previous year. The **Profit After Tax (PAT)** increased to INR 13,962.71 Lacs in the FY 2024–2025 compared to INR 11,225.12 Lacs during the previous financial year.

## MAJOR HIGHLIGHTS

- I. The Company has established a new manufacturing facility under the name and style “Sandhar Technologies Limited (TN) – Unit-IV” at 112, Singadivakkam Village, Walajabad Panchayat Union, Kancheepuram Taluk & District, for Aluminium Die Casting Business by relocating from the existing common shared premises at Plot No. B-2, SIPCOT Industrial Growth Centre, Oragadam, Sriperumbudur Taluk, Kanchipuram District.
- II. The Board, at its meeting held on 11<sup>th</sup> November, 2024, approved the Sale/ transfer of Plant and Machinery either on full ownership basis or lease basis or combination of both;
  - a) From Sandhar Technologies Limited (HR) – Unit-III, (Sheet-Metal Business) located at Village & P O Khandsa, Behrampur Road, Gurgaon – 122001 to Sandhar Engineering Private Limited (wholly owned subsidiary of the Company). The transaction was completed on 01<sup>st</sup> July, 2025.
  - b) From Sandhar Technologies Limited (TN) – Unit-II (Assembly/ Automach Business), located at Plot No. B-2, SIPCOT Industrial Growth Centre, Oragadam, Sriperumpudur (Tk), Kanchipuram (Dt) to Sandhar Engineering Private Limited (wholly owned subsidiary of the Company).
- III. The Board, at its meeting held on 17<sup>th</sup> March, 2025, approved the slump sale of the following units/ undertaking;
  - a) From Sandhar Technologies Limited (Haryana) – Unit-IV (Zinc Die Casting), located at Plot Nos. 24 & 25, Sector 3, IMT Manesar, Gurgaon-122052, to Sandhar Ascast Private Limited (wholly owned subsidiary of the Company). The transaction was completed on 01<sup>st</sup> June, 2025.
  - b) From Sandhar Technologies Limited (Karnataka) – Unit-II (Zinc Die Casting), located at Plot No. 7A, KIADB Industrial Area, Attibele, Anekal Taluk, Bangalore District, Karnataka-562107, to Sandhar Ascast Private Limited (wholly owned subsidiary of the Company).
- IV. The Finance and Strategy Committee in its meeting held on 26<sup>th</sup> March, 2025 approved the sale of the Company's entire stake in its joint venture namely, Jinyoung Sandhar Mechatronics Private Limited (“JSM”). Subsequently, on 27<sup>th</sup> March, 2025, the Company entered into a Share Purchase Agreement with Jinyoung Electro-Mechanics

Co. Ltd. (Business Registration Number: 608–81–26822), South Korea having its address at 31 Nongongdanji-ro, Jinbuk-myun, Masanhbpo-gu, Changwon-si, Gyung sangnam-do for sale of entire stake in JSM. This strategic divestment aligns with the Company's objective to streamline operations, optimise resource allocation, enhance operational efficiency, and strengthen its focus on core business areas to drive sustainable long-term growth.

- V. The Finance and Strategy Committee, in its meeting held on 18<sup>th</sup> June, 2025, approved the sale of the Company's entire stake in its joint venture namely, Kwangsung Sandhar Technologies Private Limited (KSTPL), along with its stake in the subsidiary, Kwangsung Sandhar Automotive System Private Limited (KSASPL). Subsequently, on 19<sup>th</sup> June, 2025, the Company entered into a Share Purchase Agreement with Kwangsung Corporation Ltd. (JV Partner) a joint stock company incorporated and existing under the Laws of Korea, having its registered office at 212-14, Neungan-gil, Songsan-myeon, Dangjin-si, Chungcheongnam-do, Korea for the sale of entire stake in the KSTPL and KSASPL. This strategic divestment is in line with the Company's objective to streamline operations, optimise resource allocation, enhance operational efficiency, and strengthen its focus on core business areas to drive sustainable, long-term growth.

## STATE OF COMPANY'S AFFAIRS

A comprehensive analysis of the state of affairs of the Company has been addressed within the Management Discussion and Analysis (MDA) section. The MDA for the relevant year, as mandated by Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), is annexed as “**Annexure-A**” forming part of the Annual Report.

Further, during the year under review, there was no change in the nature of business of the Company

## AMOUNT TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2024–25 appearing in the Statement of profit and loss.

## DIVIDEND

The Board of Directors (“the Board”) at their meeting held on 22<sup>nd</sup> May, 2025, recommended a final dividend amounting to INR 3.50/- (Indian Rupees Three and Fifty Paise only) per Equity Share of face value INR 10/- (Indian Rupees Ten only) each fully paid – up i.e., (35%) for the financial year ended 31<sup>st</sup> March, 2025.

The Board's recommendation is in accordance with the parameters set out in the Company's Dividend Distribution Policy and compares to the dividend of INR. 3.25/- (Indian Rupees Three and Twenty-five Paise only) per fully paid equity share declared for the previous financial year.

Subject to the approval of the Members in the forthcoming Annual General Meeting, the dividend will be paid to those members whose names appear in the Register of Members (including Beneficial Owners) of the Company as of the close of business hours on 12<sup>th</sup> September, 2025.

The proposed dividend entails a total cash outflow of INR 21.07 crores (Indian Rupees Twenty-One Crores and Seven Lakhs only), representing a payout ratio of 15.09% for the financial

year ended 31<sup>st</sup> March, 2025.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1<sup>st</sup> April, 2020. Accordingly, the Company is required to deduct tax at source on dividend payments, at applicable rates, in accordance with the provisions of the Income Tax Act, 1961.

#### RECORD DATE

The Company has fixed Friday, 12<sup>th</sup> September, 2025 as the "Record Date" for determining the entitlement of Members to receive the dividend for the financial year ended 31<sup>st</sup> March, 2025.

#### DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board had formulated a Dividend Distribution Policy ('the Policy'). The Policy is available on the Company's website URL at: [https://sandhargroup.com/uploads/Investor/dividend-distribution-policy\\_new.pdf](https://sandhargroup.com/uploads/Investor/dividend-distribution-policy_new.pdf)

#### SHARE CAPITAL

The Authorised Share Capital of the Company is INR. 7000.00 Lacs divided into 680.00 Lacs Equity Shares of INR. 10/- (Indian Rupees Ten only) each and 2.00 Lacs Preference Shares of INR. 100/- (Indian Rupees Hundred only) each.

The Paid up Share Capital of the Company is INR. 6019.07 Lacs divided into 601.91 Lacs Equity Shares of INR. 10/- (Indian Rupees Ten only) each.

During the year, there were no instances of public issues, rights issues, bonus issues, or preferential issues. The company did not issue shares with differential voting rights, sweat equity shares, nor did it grant any stock options.

Further, the Company has not bought back any of its securities during the year under review.

#### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company, its subsidiaries and Joint Venture Companies, for the Financial Year 2024-25, have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules').

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of the subsidiaries and Joint Venture Companies is attached to the Financial Statement in Form AOC-1 as "Annexure-B".

Further, pursuant to the provisions of Section 136 and other applicable provisions of the Companies Act, 2013, the Audited Financial Statements of the Company, along with the separate Financial Statements of each of the Subsidiary Companies, is available on the Company's website at <https://sandhargroup.com/>.

#### SUBSIDIARIES AND JOINT VENTURES

The Sandhar Group entities continue to play a pivotal role in driving the overall revenue growth and performance of your Company. During the year under review, no new Subsidiary or Joint Venture Company has been incorporated.

The Group comprises of following Subsidiaries and Joint Ventures:

##### Subsidiaries:

- i. Sandhar Technologies Barcelona S.L (overseas Subsidiary)
- ii. Sandhar Engineering Private Limited
- iii. Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)
- iv. Sandhar Auto Castings Private Limited
- v. Sandhar Automotive Systems Private Limited
- vi. Sandhar Auto Electric Solutions Private Limited

##### Step down subsidiaries: overseas

- i. Sandhar Technologies de Mexico, SR de L de CV<sup>1</sup>
- ii. Sandhar Technologies, Poland, Sp. Zoo<sup>1</sup>
- iii. Sandhar Technologies Ro SRL (Romania)<sup>1</sup>

##### Joint Ventures:

- i. Sandhar Han Sung Technologies Private Limited
- ii. Jinyoung Sandhar Mechatronics Private Limited<sup>2</sup>
- iii. Sandhar Amkin Industries Private Limited<sup>3</sup>
- iv. Kwangsung Sandhar Technologies Private Limited<sup>4</sup>
- v. Kwangsung Sandhar Automotive Systems Private Limited (Subsidiary of Kwangsung Sandhar Technologies Private Limited)<sup>4</sup>
- vi. Sandhar Whetron Electronics Private Limited
- vii. Winnercom Sandhar Technologies Private Limited
- viii. Sandhar Han Shin Auto Technologies Private Limited

##### Notes:

1. Sandhar Technologies, Poland, SP. Zoo, Sandhar Technologies de Mexico SR de L de CV and Sandhar Technologies Ro SRL (Romania) are the subsidiaries of Sandhar Technologies Barcelona S.L.
2. The Finance and Strategy Committee, at its meeting held on 26<sup>th</sup> March, 2025, approved the sale of entire stake in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited ("JSM") to Jinyoung Electro-Mechanics Co. Ltd., South Korea. The transaction was concluded on 15<sup>th</sup> April, 2025, and JSM ceased to be a joint venture of the Company.
3. Sandhar Amkin Industries Private Limited is treated as Joint Venture Company for the purpose of preparation of financial statements as required under Ind-AS. However, the shareholding of Sandhar Technologies Limited in this Company exceeds 50% therefore, as per the provisions of Companies Act, 2013 it is treated as Subsidiary.
4. The Finance and Strategy Committee, at its meeting on 18<sup>th</sup> June, 2025, approved the sale of entire stake in Kwangsung Sandhar Technologies Private Limited (KSTPL) and its subsidiary, Kwangsung Sandhar Automotive System Private Limited (KSASPL) to Kwangsung Corporation Ltd. South Korea. The transaction was completed on 24<sup>th</sup> June, 2025, and KSTPL and KSASPL ceased to be the Joint venture(s) of the Company.



5. During the year under review:

- i. Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited) submitted an application to the Registrar of Companies ("RoC"), NCT of Delhi and Haryana for the amendment of its Object Clause, with the aim of undertaking strategic initiatives, expanding its operations, and capitalizing on emerging business opportunities. In accordance with Section 13(1) of the Companies Act, 2013, the amendment to the main object clause was duly approved by the RoC through its order dated 25<sup>th</sup> November, 2024.
- ii. Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited), in alignment with its renewed business focus, submitted an application to the Registrar of Companies, NCT of Delhi and Haryana for the change of its name from Sandhar Tooling Private Limited to Sandhar Ascast Private Limited. Pursuant to the application, the RoC approved the name change, and a fresh Certificate of Incorporation reflecting the new name was issued on 20<sup>th</sup> December, 2024.
- iii. Sandhar Engineering Private Limited, a wholly-owned Subsidiary, executed a 99-year lease deed with Gujarat Industrial Development Corporation (GIDC) for Plot No. 101/1+2/A at Halol-2 & Halol (Masawad) Industrial Estate, Taluka Halol, District Panchmahal, Gujarat. A license agreement for the premises was signed on 06<sup>th</sup> October, 2022. The company has initiated the process of the construction of a new plant on the allotted land as part of its future expansion plans.
- iv. Sandhar Auto Electric Solutions Private Limited, a wholly-owned subsidiary, has successfully commissioned its advanced manufacturing facility in Behrampur, Haryana. This strategic expansion supports the Company's growth plans and meets the rising demand in the EV sector. The facility produces Motor Controllers, Battery Chargers with commercial invoicing/dispatches underway, and DC-DC Converters for 2- and 3-wheeler EVs.
- v. The Board of Directors of Sandhar Engineering Private Limited ("SEPL"), a wholly-owned subsidiary, has approved the consolidation of Assembly/Automach and Sheet Metal operations, subject to approvals from relevant customers and authorities.
- vi. Sandhar Ascast Private Limited ("SAPL"), a wholly-owned subsidiary, has acquired the high-pressure die casting (HPDC) and low-pressure die casting (LPDC) business of Sundaram-Clayton Limited of its Hosur plant through a slump sale. The transaction was completed on 31<sup>st</sup> March, 2025.

The total consideration of INR 163 crores (Indian Rupees One Hundred Sixty-Three Crores only) was paid for the aforesaid transaction, with the final payment made on 11<sup>th</sup> April, 2025.

This strategic acquisition is designed to expand SAPL's operations, strengthen its market presence, and bolster long-term growth in the aluminium die-casting sector. It also represents Sandhar Group's entry into the LPDC market—adding a new dimension to its portfolio and positioning it to emerge as a key player in this segment.

Furthermore, SAPL commenced commercial operations and initiated invoicing with effect from 1<sup>st</sup> April, 2025.

There has been no material change in the nature of the business of the Company's subsidiaries.

A Report on the performance and financial position of each of the subsidiary and Joint Venture Companies included in the Consolidated Financial Statements and their contribution to the overall performance of the Company is provided in Form AOC-1 and Management Discussion and Analysis Report forming part of this annual report.

The Policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website and can be accessed in the Corporate Governance section at the Web-link: <https://sandhargroup.com/investors/corporate-governance>

### CAPEX AND LIQUIDITY

During the financial year, the Company invested INR 17,610.50 lakhs in capital expenditures and investment in subsidiaries. Despite this significant expenditure, the Company managed to maintain a stable gross debt level throughout the year. This amount comprises INR 3,600 lakhs invested in equity shares of wholly owned subsidiaries and INR 14,010.50 lakhs spent on the acquisition of property, plant and equipment, capital work-in-progress, and other intangible assets.

At the consolidated level, cash and cash equivalents stood at INR 8,109.18 Lacs as of 31<sup>st</sup> March, 2025, compared to INR 3,314.42 Lacs in the previous fiscal year, reflecting a strong liquidity position.

### DEPOSITS

The Company has not accepted any deposits from the public during the year under review and as such, no amount of principal or interest on deposits from the public was outstanding as on the date of the balance sheet. Further, the company had not accepted any deposits during the previous financial year.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In Compliance with the provisions of the Act and Listing Regulations, the Company extends the financial assistance in the form of investment, loan, and guarantee, etc., in order to meet their business requirements.

The details of loans given, Guarantees provided and Investment made by the Company pursuant to provision of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 have been disclosed in the Standalone Financial Statements and forming part of the Annual Report. Please refer to the Note no. 6A, B, F of the Standalone Financial Statements.

### RELATED PARTY TRANSACTION

The Company has a well-defined and structured governance process for the related party transaction(s) undertaken by the Company. All the Contracts or arrangements entered into by the Company with its related parties during the financial year were in the ordinary course of business and on arm's length basis in accordance with the provision of the Companies Act, 2013 and the SEBI Listing Regulations. Only a few transactions were of non-recurring nature which were undertaken with the prior approval from the Audit Committee and the Board of Directors and were executed at arm's length price.

Further, during the year under review, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Prior omnibus approval of the Audit Committee was obtained for the transactions, which were of a foreseen and repetitive nature. All related party transactions approved by the Audit Committee were periodically reported to the Audit Committee. Additionally, all related party transactions were carried out in accordance with the Policy for determination of materiality of and dealing with related party transactions, formulated by the Company. None of the Contracts, Arrangements and transactions with related parties required approval of the Shareholders under Section 188(1) of the Act and 23(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Accordingly, the disclosure of Related Party Transactions as required under Section 134 (3) (h) of the Act in Form AOC-2 is not applicable for the Financial Year 2024-25 and hence does not form part of the report.

The Company's Policy on dealing with materiality of Related Party Transactions is available on the website of the Company at <https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf>

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Annual Report.

## **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION**

There have been no significant or material changes affecting the financial position of the Company, after the conclusion of the Financial Year 2024-2025 until the date of this report.

## **IN-HOUSE R&D DIVISION**

The Sandhar Centre for Innovation & Development (SCID), the dedicated R&D division of Sandhar Technologies Limited, recognized by the Department of Scientific and Industrial Research (DSIR) since 2012, continues to drive product innovation and technological advancement. Focused on delivering cutting-edge solutions for the automotive and related sectors, SCID collaborates closely with internal stakeholders to enhance the Company's value proposition. With a vision to become a Centre of Excellence in automotive engineering, SCID has filed 29 Patents to date, out of which 24 Patents have been granted by the Indian Patent Office. Backed by a highly qualified team and state-of-the-art facilities in both mechanical and electronics domains, SCID plays a pivotal role in developing, testing, and validating next-generation products for our customers.

## **INFORMATION TECHNOLOGY**

The Company continues to take full advantage of Information Technology, leveraging it as a source of competitive advantage. Since its initial years, enterprise-wide Oracle ERP platform forms the backbone of IT, encompasses all core business processes in the Company and provides a comprehensive data warehouse with analytics capability that helps in better and speedier decisions.

Oracle Cloud ERP covers all core business processes, including an end-to-end solution for digital expense

management, giving employees easy data entry options and financial managers detailed spend information and policy-driven control. ERP's quarterly updates offer numerous business benefits, including rapid innovation, reduced downtime, enhanced security, and latest technology.

IT Infrastructure ensures seamless support through enterprise-class network, server, and data security solutions. Measures like redundant internet links, virtualization, centralized access control, regular backups, and 24x7 monitoring help deliver high availability and operational continuity. These initiatives complement the digital transformation efforts and fortify the company's technological foundation.

Multiple new initiatives have been taken to ensure that the investments in creation, maintenance and upgradation of IT Infrastructure is kept at an optimal level and relevant new technologies are adopted to facilitate risk mitigation, ensuring business continuity, achieve scalability in operations and ensuring that data security and privacy are not compromised. The Company is determined & steadily progressing towards Industry 4.0 adoption for increased productivity and efficiency, Higher quality and output, Improved safety, Improved collaboration, and Operational cost reductions.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Sandhar's dedication to Corporate Social Responsibility (CSR) has remained steadfast since its inception. The Company's purpose, "**Growth. Motivation. Better Life**", serves as a guiding light. This philosophy is reflected in various areas, including the promotion of gender equality, women's empowerment, support for education, and community development, all guided by a commitment to "triple bottom line accountability".

With this ethos, your Company is committed to serving society through various social initiatives/programmes aimed at creating a positive social impact. Over the period of time, it has strategically engaged in numerous social initiatives and started several community-centric projects. These CSR initiatives are primarily implemented through the Sandhar Foundation, which serves as the CSR and philanthropic arm of the Sandhar Group.

In addition, the Company collaborates with various other implementing agencies and undertakes initiatives independently as well. Furthermore, Sandhar integrates its business operations and objectives to create a more profound impact on sustainable societal development.

In compliance with Section 135 of the Act, the Company has formed a CSR Committee. Details regarding the composition of the CSR Committee are outlined in the CSR Annual Report and Corporate Governance Report, both forming the part of this Report.

The Company's CSR policy provides comprehensive guidelines for conducting CSR activities, which are accessible on the company's website at [https://sandhargroup.com/uploads/Investor/csr-policy\\_08022023new.pdf](https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf)

Some of the key CSR initiatives during the year under review include the following:

Sandhar is actively contributing to social development through dedicated Corporate Social Responsibility (CSR) activities addressing key areas such as quality education, healthcare access, women empowerment & livelihood generation. By implementing community-based programs, Sandhar is working towards bridging socio-economic gaps and promoting inclusive growth for the community.

### 1. Sandhar Centre for Learning

The Sandhar Foundation, in collaboration with KHUSHI NGO, is committed to fostering accessible and quality education for children from the Sangam Vihar community. Through the Sandhar Centres for Learning – ‘Swatantra Shikshaantra’, we focus on improving academic performance, nurturing holistic development, and integrating innovative teaching methods to create meaningful learning experiences.

#### Key Achievements & Impact:

- **Academic Support:**

Remedial education was provided to over 900 students (Grades I to X) in core subjects, including English, Hindi, Mathematics, Science, and Computers, strengthening foundational learning and academic performance.

- **Impact of Remedial Classes:**

A comparative pre- and post-assessment was conducted with students enrolled in Sandhar Centre for Learning and only government schools. The results highlighted a significant learning gain of 31.6% among SCL students, compared to 9.6% among only government school students, demonstrating the strong effectiveness of the program in improving academic outcomes.

- **Innovative Learning Resources:**

Providing Teaching and Learning Materials (TLMs) to students designed to be practical and interactive, enhancing engagement and comprehension.

- **Teachers' Capacity Building:**

A total of 18 expert-led sessions were conducted with 10 teachers, focusing on practical aspects of classroom instruction, curriculum design, and value-based education. Sessions were delivered by experienced professionals, including the DIET Principals and Mr. S. Raghunathan, Former Chief Secretary – Govt. of NCT Delhi, enriching teaching methodologies and equipping educators with effective strategies for student engagement.

- **Technology Integration:**

Students are actively engaged through digital classrooms and hands-on training in basic computer operations, promoting digital literacy from a young age.

- **Student Attendance & Retention:**

Achieved an average attendance of over 85% and successfully reduced dropout rates to 1%, highlighting increased student interest and program effectiveness.

- **Mental Health & Well-being – ‘Mano Shakti’ Program:**

A comprehensive mental health initiative covering 900 students. 185+ sessions conducted focusing on cognitive development, personality building,

and cultivating a positive mind-set. 40+ group counselling sessions were held with 700+ students and 65 one-on-one sessions conducted to address individual concerns and emotional needs.

- **Parental Engagement:**

Regular parental engagement sessions conducted to encourage the creation of a supportive learning environment at home. 85% of parents participated in the engagement sessions.

- **Health & Hygiene Awareness (WASH):**

Conducted sessions promoting proper hygiene and cleanliness, fostering healthy habits among students.

- **Menstrual Health Education:**

Awareness sessions conducted for over 1,000– girls, boys, and mothers from both the Learning Centre and the community. These sessions focused on menstrual hygiene, breaking taboos, and fostering open discussion to promote safe practices and health education.

- **Skill Enhancement Summer Workshop:**

A Skill Development Camp was hosted at the Sandhar Corporate Office, where students were exposed to real-time corporate functions and plant operations. The workshop offered career readiness, industry insights, and hands-on learning opportunities.

- **Cultural & Awareness Events:**

Students participated in a variety of special occasions including World Environment Day, Yoga Day, and Independence Day, fostering awareness, creativity, and cultural connection.

- **Summer Camp for Creativity & Holistic Learning:**

A Summer Camp for 750 students was organized featuring sessions on storytelling, yoga, painting, and creative learning activities, promoting cognitive and emotional development through joyful education.

### 2. Sandhar Ki Beti

“Sandhar Ki Beti” is a flagship initiative by Sandhar aimed at empowering young girls through access to quality education. Under this program, Sandhar sponsors the education of one girl student from each class, ranging from Nursery to Class XII, at Springdales School, Dhaura Kuan, New Delhi.

The initiative began with the support of 12 girl students in 2013, and in the academic year 2024–25, the program was expanded to benefit 24 students, thereby doubling its reach and deepening its impact. Demonstrating the success of this initiative, more than 15 sponsored students achieved First Division in their academic performance, reflecting both their potential and the value of continued educational support.

### 3. Adopt a Gran

Sandhar in collaboration with Springdales Schools, has launched “Adopt a Gran” initiative to extend dignity, care, and support to elderly from economically disadvantaged backgrounds. The initiative not only addresses the physical and emotional well-being of the elderly but also reaffirms

Sandhar's commitment to building compassionate, inclusive communities where no one is left behind. The program currently supports 32 elderly "Grans" from the Dasghara and Todapur Basti communities.

**Under this initiative, each adopted Gran receives:**

- Monthly grocery kits to ensure food security and nutritional support throughout the year.
- Regular health check-ups, providing preventive care and early detection of health issues.
- Motivational sessions and emotional engagement activities, aimed at improving mental well-being and reducing feelings of isolation.
- Basic literacy support, empowering the Grans to engage more confidently in daily life and personal communication.

**Skill Development**

**1. Swabhimaan Vocational Training Program**

Sandhar is deeply committed to empowering girls and women by equipping them with livelihood-oriented skills, enabling financial independence and promoting gender equality. Through the Swabhimaan Vocational Training Program, the foundation continues to create meaningful change in the lives of women from our adopted community, Shriram JJ Cluster.

**In 2024–25–**

- 73 women received hands-on training in three key vocational areas: Stitching & Tailoring, Beauty Culture, and Basic Computer Literacy.
- As a direct result of the program, 11 women have become self-employed and are now earning a sustainable income.
- A 'Legal Sakhi' awareness session was conducted for 22 women, focusing on their legal and financial rights, building confidence and knowledge of personal empowerment tools.
- A Cyber Security Awareness Session was organized to educate women on safe usage of social media and digital platforms.
- Women trained under the Stitching & Tailoring course showcased their entrepreneurial spirit by setting up a Swabhimaan stall at a community fair held at Springdales School, Dhaula Kuan.
- Additionally, a Cancer Detection Camp was conducted for Swabhimaan beneficiaries, emphasizing preventive healthcare and regular screenings.

**Health & Hygiene Support in Community**

**1. Sandhar Healthcare Centre**

The Sandhar Foundation is committed to making quality healthcare accessible and affordable for all, especially those in semi-urban and rural communities. The Sandhar Healthcare Centre, is addressing the critical gaps in the healthcare system by reaching out to the marginalized populations, including local residents and migrant workers and ensuring quality healthcare services to all.

Key highlights of the Centre include:

- Delivery of essential primary healthcare services such as OPD consultations, blood pressure and blood sugar monitoring, and general health check-ups at a minimal token cost.
- Over 18,000 patients benefited from healthcare services in FY'25, reflecting the Centre's impact on community well-being.
- Focused women's healthcare through regular gynecology consultations, ensuring timely support for female-specific health issues and promoting menstrual hygiene awareness and awareness on maternal & child care.
- More than 1,700 women have availed gynecology services, strengthening the focus on women's health in the region.

**Employee Engagement**

**1. Donation Drive – Spreading Joy and Kindness**

Celebrating the true spirit of Christmas, employees at the Sandhar Corporate Office came together to participate in a heartfelt donation drive for the residents of a shelter home run by the Earth Saviour Foundation, which supports individuals who are homeless and abandoned by their families.

As part of this initiative, employees generously contributed groceries, clothing, and daily essentials, bringing comfort and warmth to those in need and reaffirming Sandhar's commitment to compassion and community service.

The CSR Policy lays emphasis on transparent monitoring mechanism for ensuring implementation of the projects undertaken/ proposed to be undertaken by the Company in accordance with the overall objective of the CSR policy.

The annual report on CSR activities is attached as **"Annexure-C"** to the Director Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo by the Company pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **"Annexure-D"**.

**CORPORATE GOVERNANCE**

Sandhar's Corporate Governance philosophy is rooted in strong business ethics, fairness, and trust in all its stakeholder interactions.

The Company conducts its affairs with fairness and transparency, recognizing the importance of earning and maintaining the trust of its stakeholders. Corporate Governance is regarded as fundamental to nurturing a forward-thinking organization capable of delivering sustainable growth.

In its engagements with external stakeholders, the Company prioritizes transparency, ensuring the timely sharing of information. Leadership sets the tone through their actions, ensuring the organization remains aligned with its culture and values in both principle and practice.



The Company has complied with the Corporate Governance requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, a report on the same as stipulated in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as “**Annexure-E**” to the Board’s Report.

The Certificate issued by M/s. K.K. Sachdeva & Associates, Practicing Company Secretaries, confirming the Compliance with conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as “**Annexure-F**” to the Board’s Report.

## DIRECTORS & KEY MANAGERIAL PERSONNEL

The contribution of the Board of Directors is vital in providing effective leadership, strategic direction, policy formulation, monitoring and supervision, and ensuring accountability to shareholders & other stakeholders. Their role is essential in driving sustainable performance and upholding the highest standards of corporate governance.

The Board of your Company comprises an optimal mix of Executive and Non-Executive Directors, reflecting a balanced approach to leadership. The composition also acknowledges the importance of gender diversity, in line with best practices and regulatory expectations.

**As of 31<sup>st</sup> March, 2025, the composition of the Board and Key Managerial Personnel is as follows:**

Category of the Director(s)/ KMP	Name of the Director(s)
Executive Director	Shri Jayant Davar (Chairman, Managing Director, and Chief Executive Officer)
Non-Executive Independent Directors	Smt. Archana Capoor Shri Vikrampati Singhania Shri Vimal Mahendru Shri Bharat Anand Shri Arjun Sharma Smt. Aabha Bakaya
Non-Executive & Non Independent Directors	Shri Sandeep Dinodia Smt. Monica Davar Shri Neel Jay Davar
Key Managerial Personnel (KMP)	Shri Yashpal Jain (Chief Financial Officer and Company Secretary)
Deputy Company Secretary & Compliance Officer	Shri Gulshan Ahuja
Business Heads Designated as Key Managerial Personnel's	Shri Gurvinder Jeet Singh (Sr. Advisor & COO- Proprietary Business) Shri S Venkataraman (COO- Cabins & Fabrication Business) Shri Ajay Kumar Raghav (COO- Castings, Machining & Tooling Business) Shri Niraj Hans (COO- Sheet Metal & Allied Business)

## CHANGE IN DIRECTORS & KMP

### Demise of Shri. Dharmendar Nath Davar, Chairman Emeritus and the Promoter of the Company

Shri. Dharmendar Nath Davar, Chairman Emeritus and Promoter of Sandhar Technologies Limited passed away on 29<sup>th</sup> December, 2024. His visionary leadership and invaluable contributions over the years played a pivotal role in shaping the company’s legacy.

He will remain a source of inspiration for all within the Sandhar Group.

- Shri Dharmendar Nath Davar (DIN:00002008) resigned from the position of Chairman and Director of the Company with effect from 23<sup>rd</sup> May, 2024. In appreciation of his exceptional leadership, vision, foresight, and commitment throughout his tenure, the Board had honoured him with the distinguished title “Chairman Emeritus,” recognizing his invaluable guidance, strategic direction and stewardship.
- The Board further appointed Shri Jayant Davar (DIN: 00100801) as the Chairman, Managing Director, and Chief Executive Officer of the Company with effect from 23<sup>rd</sup> May, 2024.
- Shri Arvind Kapur, Non-Executive Independent Director of the Company, completed his second and final term as Independent Director on 3<sup>rd</sup> July, 2024, and ceased to hold the position of Director from that date.
- The Board, on the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of the Companies Act and SEBI Listing Regulations, appointed Smt. Aabha Bakaya (DIN: 05131734) as an Additional Director and designated her as a Non-Executive Independent Director of the Company for a period of five years with effect from 8<sup>th</sup> August, 2024, subject to the approval of the members. The appointment was subsequently confirmed by the members at the 32<sup>nd</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2024.
- Shri Vimal Mahendru (DIN: 00006016) was re-appointed as a Non-Executive Independent Director on the Board of the Company w.e.f., 05<sup>th</sup> November, 2024. At the 32<sup>nd</sup> Annual General Meeting held on 24<sup>th</sup> September, 2024, the members approved his re-appointment as an Independent Director of the Company for a second term of 5 years i.e., 05<sup>th</sup> November, 2024 to 04<sup>th</sup> November, 2029.
- Shri Gulshan Ahuja (ICSI Membership No. A58924), Deputy Company Secretary and Compliance Officer of the Company was designated by Board in its meeting held on 12<sup>th</sup> February, 2025 as a Key Managerial Personnel pursuant to the requirements under Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Non-Executive Independent Directors are qualified to be appointed/continued as such under the relevant provisions of the Act read with the rules made thereunder and Listing Regulations and shall not be subject to determination for retirement by rotation. In the opinion of the Board, all the Independent Directors possess requisite integrity, expertise, and experience and are independent of the Management.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.



## CHANGES OCCURRED AFTER THE END OF FINANCIAL YEAR AND TO THE DATE OF REPORT

The following changes occurred in the Board of Directors of the Company after the end of the financial year and the date of the report.

- i. Based on the recommendation of the Nomination and Remuneration Committee and of the Board, Shri Sandeep Dinodia (DIN: 00005395) appointed/ re-designated as a Non-Executive Independent Director of the Company by members through Postal Ballot concluded on 26<sup>th</sup> June, 2025 for a period of five(5) consecutive years commencing from 26<sup>th</sup> June, 2025 to 25<sup>th</sup> June, 2030.
- ii. Based on the recommendation of Nomination and Remuneration Committee, the Board appointed Shri Gurvinder Jeet Singh (DIN:02129467) as an Additional Director as well as the Whole-time Director in the category of Executive Non-Independent Director of the Company w.e.f., 22<sup>nd</sup> May, 2025. The appointment was subsequently affirmed by the members through Postal Ballot concluded on 26<sup>th</sup> June, 2025.

## RETIREMENT OF DIRECTORS BY ROTATION

In accordance with the provision of Section 152 of the Companies Act, 2013 read with the rules made thereunder and Articles of Association of the Company, Shri Neel Jay Davar (DIN: 09201336), Non-Executive & Non Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. Information as required under Regulation 36(3) of the Listing Regulations is provided in the Notice of 33<sup>rd</sup> Annual General Meeting.

## MEETINGS OF THE BOARD

Regular meetings of the Board were held to deliberate and decide on various business policies, strategies, financial matters, and other key issues. A calendar of meetings was prepared and circulated in advance to all the Board Members to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board also passed some resolutions by circulation as required from time to time.

The Board/ Committee meetings of the Company were conducted in compliance with the provisions of the Companies Act, 2013, the Listing Regulations, and applicable Secretarial Standards. Information as mentioned in the Act, Schedule II of the Listing Regulations, and all other material information, identified by the management, were presented to the Board for its consideration. Detailed agendas, including supporting documents, relevant data, and other necessary information, were shared in advance to enable informed decision-making and provide strategic guidance to the management information regarding the Board and its committees, including the meetings conducted throughout the year and the attendance records of individual directors/ members, is provided in the Corporate Governance Report of the Company.

During the year under review, 5 (five) Board Meetings were held and the gap between the meetings was as per the period prescribed under the Act and Listing Regulations.

S. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	23 <sup>rd</sup> May, 2024	11	9
2.	08 <sup>th</sup> August, 2024	10	10
3.	11 <sup>th</sup> November, 2024	10	9
4.	12 <sup>th</sup> February, 2025	10	9
5.	17 <sup>th</sup> March, 2025	10	7

Additionally, several Committee meetings were held during the Financial Year.

All recommendations made by the Audit Committee during the financial year 2024–25 were accepted by the Board.

## COMMITTEES OF THE BOARD

As required under the Act and the SEBI Listing Regulations, your Company has constituted various Statutory Committees. Additionally, the Board has formed other governance Committees to review the specific business operations and governance matters, including any specific items that the Board may decide to delegate. The Board has constituted 7 (seven) committees in order to comply with the statutory guidelines and for the purpose of operational feasibility so as to assist the Board in discharging its duties and responsibilities. The committees report to the Board on their activities on a periodic basis, and the minutes of the committee meetings are provided to Board.

As on 31<sup>st</sup> March, 2025, the Board has constituted the following Committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee;
4. Stakeholders' Relationship Committee;
5. Share Transfer & Allotment Committee;
6. Finance & Strategy Committee; and
7. Risk Management Committee.

Details of composition, terms of reference, and number of meetings held in Financial Year 2024–25 for the aforementioned Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the Audit Committee and other Committees have been accepted by the Board.

## ANNUAL GENERAL MEETING

All the members of the Board of Directors attended the last 32<sup>nd</sup> Annual General Meeting ("AGM") of the Company held on Tuesday, the 24<sup>th</sup> September, 2024 through Video Conferencing ('VC')/ Other Audio Visual Means ("OAVM").

## NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has established a Nomination and Remuneration Policy. This policy provides a comprehensive framework for the appointment, performance evaluation, and remuneration of Directors, Key Managerial Personnel (KMP), and other employees and the objective of this policy is to attract, retain, and motivate qualified individuals through a fair and competitive remuneration structure while aligning their goals with the long-term interests of the Company and its stakeholders.

The remuneration policy for directors, key managerial personnel and other employees is also available on the Company's website at <https://sandhargroup.com/investors/corporate-governance>

## **SELECTION AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS**

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of the Company and persons in the Senior Management. The Policy also lays down broad guidelines for performance evaluation of the Board as a whole and its Committees, individual Directors, including the Chairperson and the Independent Directors. The Policy encourages the appointment of women at senior executive levels and thereby promotes diversity. The Policy is designed to attract, recruit, retain, and motivate the best available talent.

## **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- **Qualifications** – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- **Positive Attributes** – Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

The Board affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess the requisite expertise and experience required to fulfil their duties as Independent Directors, and they are independent of the Management.

In terms of section 150 of the Companies Act, 2013 read with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by Indian Institute of Corporate Affairs, Manesar ("IICA").

## **SEPARATE MEETINGS OF INDEPENDENT DIRECTORS**

In terms of the requirement of Regulation 25 of Listing Regulations and Schedule IV of the Act, the Independent Directors of the Company met separately on the 17<sup>th</sup> March, 2025, without the presence of any Non-Independent Director and members of management.

The meeting was conducted to discuss the matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **PERFORMANCE EVALUATION OF THE BOARD**

In terms of the requirements of the Section 134(3) (p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board of Directors conducted an annual assessment of its own performance, Board Committees and individual directors.

The Company has implemented a structured and confidential evaluation process to assess the effectiveness of the Board, its Committees, and each Director, including the Chairman. Directors provided feedback through a rating mechanism based on defined performance parameters.

The evaluation criteria were broadly aligned with the Guidance Note on Board Evaluation issued by SEBI on 5<sup>th</sup> January, 2017. The overall performance assessment was completed to the satisfaction of the Board, and the outcome of the evaluation was presented and discussed at the Board meeting.

## **FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS**

To facilitate effective participation in Board discussions, the Board members were provided with necessary information, documents, and presentations to help them familiarise themselves with the Company's processes, policies, and practices.

Periodic presentations were made during Board Meetings to apprise the Directors of the Company's business performance, strategic initiatives, industry developments, and regulatory updates.

## **FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

In compliance with the requirements of Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a structured Familiarisation Programme for Independent Directors. The objective of the programme is to enable the Independent Directors to understand the Company's business in depth and to update their knowledge on a continual basis. The Familiarisation Programme is conducted through various initiatives, including presentations by senior management and sharing of industry and regulatory updates.

**Some of the familiarisation programme imparted to the Independent Directors are as follows:**

1. A detailed presentation provided by Shri. Yashpal Jain, Chief Financial Officer and Company Secretary of the Company on the major amendments/updates to the SEBI Listing Regulations.
2. A brief presentation provided by Shri. Ajay Kumar Raghav, Key Managerial Personnel and Chief Operating Officer: Casting, Machining and Tooling Business of the Company, on the updates of the following Information:
  1. Aluminium Die Casting-Manufacturing Process
  2. Aluminium Usage by Sector in India
  3. Aluminium in Automotive Sector
  4. Sandhar Product Portfolio-2W & 4W by System Application
  5. New Business- Product Portfolio- By Scooter and Motor Cycle Category
  6. Sandhar Aluminum Die-Casting Journey

Further, the complete details of the familiarization programmes held for the Independent Directors are also placed on the website of the Company at [https://sandhargroup.com/uploads/Governance/familiarisation-programme\\_independent-director\\_fy2024-25.pdf](https://sandhargroup.com/uploads/Governance/familiarisation-programme_independent-director_fy2024-25.pdf)

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Your Company has adopted a Code of Conduct ("PIT Code") to regulate, monitor and report trading in your Company's shares by your Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which consist of 4 (four) parts mentioned below:

- a. Code of Conduct for prohibition of Insider Trading;
- b. Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information;
- c. Policy for determination of Legitimate purpose; and
- d. Policy on the procedure of enquiry in case of leak of Unpublished Price Sensitive Information.

The management undertakes various measures, inter-alia, trainings, regular communications to create awareness on Prevention of Insider Trading as per Code of Conduct for Prohibition of Insider Trading of the Company and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct for Prohibition of Insider Trading and the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information are formulated based on the principle that the Company's directors and employees have a fiduciary duty, among other obligations, to prioritize the interests of shareholders over their own. This includes conducting personal securities transactions in a manner that avoids conflicts of interest. These codes establish mechanisms to ensure timely and comprehensive disclosure of Unpublished Price Sensitive Information (UPSI) to the investor community, enabling them to make well-informed investment decisions regarding the Company's securities.

The Code of Conduct for Prohibition of Insider Trading prescribes the procedure for trading in securities of the Company and the disclosures to be made by the persons covered under the Insider Trading Policy with respect to their shareholding in the Company, both direct and indirect.

The Code of Conduct for prohibition of Insider Trading and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information have been uploaded on the Company's website at <https://sandhargroup.com/investors/corporate-governance>

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained, in terms of Section 134(5) of the Act, your Directors state that:

1. in the preparation of annual accounts for the year ended the 31<sup>st</sup> March, 2025, the applicable Accounting Standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a going concern basis;
5. they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Control are adequate and operating effectively; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**POLICIES OF THE COMPANY**

The Company is committed to conducting its business with the highest ethical standards, guided by a strong value system. In compliance with the SEBI Listing Regulations and the Companies Act, 2013, the Board of Directors has framed and approved various policies as mandated. These policies are designed to ensure transparency, integrity, and sound governance practices across all operations. The Board periodically reviews these policies and ensures their continued relevance and effectiveness in line with regulatory requirements and evolving business needs.

Some of the key policies and their respective web links till date are as follows:

S. No.	Name of Policy	Web Link
1.	Code of Conduct for Directors and Senior Management	<a href="https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf">https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf</a>
2.	Nomination and Remuneration Policy	<a href="https://sandhargroup.com/investors/corporate-governance">https://sandhargroup.com/investors/corporate-governance</a>
3.	Policy for determination of materiality of and dealing with Related Party Transactions	<a href="https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf">https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf</a>
4.	Whistle Blower Policy	<a href="https://sandhargroup.com/uploads/Investor/whistle-blower-policy_new.pdf">https://sandhargroup.com/uploads/Investor/whistle-blower-policy_new.pdf</a>
5.	Independent Directors Policy	<a href="https://sandhargroup.com/assets/img/investors/Independent-Director-Policy.pdf">https://sandhargroup.com/assets/img/investors/Independent-Director-Policy.pdf</a>
6.	Policy on determining Material Subsidiaries	<a href="https://sandhargroup.com/uploads/Investor/policy-for-determining-material-subsidiaries1.pdf">https://sandhargroup.com/uploads/Investor/policy-for-determining-material-subsidiaries1.pdf</a>
7.	Code of Conduct for Prohibition of Insider Trading	<a href="https://sandhargroup.com/investors/corporate-governance">https://sandhargroup.com/investors/corporate-governance</a>
8.	Corporate Social Responsibility Policy	<a href="https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf">https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf</a>
9.	Policy for preservation of Documents and Archival of Documents	<a href="https://sandhargroup.com/uploads/Investor/policy-on-preservation-archival-of-doc_new.pdf">https://sandhargroup.com/uploads/Investor/policy-on-preservation-archival-of-doc_new.pdf</a>
10.	Policy on familiarisation of Independent Directors	<a href="https://sandhargroup.com/uploads/Investor/familiarization-for-independent-directors_08022023new.pdf">https://sandhargroup.com/uploads/Investor/familiarization-for-independent-directors_08022023new.pdf</a>
11.	Policy for Determination of Materiality of Events	<a href="https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-events-or-information2.pdf">https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-events-or-information2.pdf</a>
12.	Dividend Distribution Policy	<a href="https://sandhargroup.com/uploads/Investor/dividend-distribution-policy_new.pdf">https://sandhargroup.com/uploads/Investor/dividend-distribution-policy_new.pdf</a>
13.	Policy on Risk Management	<a href="https://sandhargroup.com/uploads/Investor/risk-management-policy-.pdf">https://sandhargroup.com/uploads/Investor/risk-management-policy-.pdf</a>
14.	Board Diversity Policy	<a href="https://sandhargroup.com/uploads/Investor/board-diversity-policy_03022023_new.pdf">https://sandhargroup.com/uploads/Investor/board-diversity-policy_03022023_new.pdf</a>

Other Policies/Criteria/Announcements are available on the Company's website on the link <https://sandhargroup.com/investors/investors>

## RISK MANAGEMENT

The Company has a well-defined Risk Management Framework that is integral to its strategic planning and achievement of long-term objectives. The framework is designed to identify, assess, and mitigate risks that may impact the Company's performance and business continuity.

In compliance with Section 134(3)(n) of the Companies Act, 2013, the Board of Directors has constituted a Risk Management Committee, which is entrusted with the responsibility of formulating, implementing, and monitoring the Risk Management Policy and Framework. The Committee plays a vital role in overseeing the risk management process, which includes risk identification, impact assessment, formulation and execution of mitigation plans, and regular risk reporting. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management. The Company also has in place a duly approved Risk Management Policy.

The Company places a strong emphasis on identifying and addressing risks that threaten the achievement of business objectives. A structured mechanism is in place for periodic risk assessment, which enables the identification, evaluation, and proactive mitigation of potential risks in a timely manner. The Risk Management Policy of the Company is available on the website of the Company at <https://sandhargroup.com/uploads/Investor/risk-management-policy-.pdf>

## CYBER SECURITY

In view of the rising threat of cyberattacks, the Company regularly reviews its cybersecurity maturity and continues to strengthen its processes and technology controls in line with the evolving risk landscape.

During the financial year, the Company experienced a cybersecurity incident involving unauthorized access to its IT systems. Immediate containment measures were taken, and third-party cybersecurity experts were engaged to mitigate the impact. While most systems were restored promptly, certain systems remained under investigation to ensure full recovery and reinforce security measures; all systems have now been fully recovered. The incident did not have any material impact on the Company's financial performance. The Company remains vigilant and is committed to continuously enhancing its cybersecurity framework to prevent future incidents.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the provisions of the Companies Act, 2013, the rules made thereunder, and the applicable SEBI Listing Regulations, the Company has implemented a robust Vigil Mechanism / Whistle Blower Policy. The Audit Committee of the Company has been entrusted with the responsibility of overseeing the effective implementation of this mechanism.

The policy provides a secure and confidential platform for Directors, Employees, and Stakeholders to report concerns about unethical behavior, actual or suspected fraud, violations of the Company's Code of Conduct, improper practices, or any alleged misconduct. Such concerns may be reported directly to the Chairperson of the Audit Committee or, where appropriate, to the Managing Director of the Company.

The policy outlines a clear and structured procedure for reporting and addressing such concerns while ensuring protection against any form of retaliation. It reflects the Company's commitment to maintaining the highest standards of ethical conduct and transparency.

The detailed Whistle Blower Policy is available on the Company's official website at the following link: [https://sandhargroup.com/uploads/Investor/whistle-blower-policy\\_new.pdf](https://sandhargroup.com/uploads/Investor/whistle-blower-policy_new.pdf)



## HUMAN RESOURCE DEVELOPMENT

Employees are the cornerstone of the Company's success and a driving force behind its continued excellence in the automobile industry. As a strategic business enabler, the Company's Human Resources (HR) function is closely aligned with its vision to emerge as a global leader in the integrated automobile space.

Our HR vision is to build and nurture world-class human capital by continuously innovating and implementing best-in-class HR practices. These practices are designed to support business leaders and foster a workforce that is engaged, empowered, and motivated.

As of 31<sup>st</sup> March, 2025, Sandhar employed 1689 individuals on its rolls. The Company empowers these dedicated individuals through its HR strategies, which prioritize workforce planning, talent acquisition, performance management, learning and development, career advancement, succession planning, leadership development, and the enhancement of employee experience and engagement. This is accomplished by offering top-tier employee facilities, welfare benefits, and fostering a conducive work environment.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as "Annexure G".

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said information is available for inspection by the members at the Corporate Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

At Sandhar Group, we are firmly committed to maintaining a safe, inclusive, and respectful workplace for all employees. In compliance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICC), to consider and resolve the complaints related to sexual harassment, reinforcing our zero-tolerance approach towards any form of harassment.

All employees (permanent, contractual, temporary, trainees, etc.) and visitors are covered under the said Policy. The ICC includes external members with relevant experience. The ICC work extensively on creating awareness on relevance of sexual harassment issues. The employees are required to undergo a training on POSH to sensitize themselves and strengthen their awareness.

During the Financial Year under review:

1. Number of sexual harassment complaints received during the year- Nil
2. Number of complaints disposed of during the year - NA
3. Number of cases pending for more than 90 days - NA

Your Company has filed the POSH annual return within the prescribed timeline, ensuring full regulatory compliance and remains committed to creating a workplace where dignity, equality, and safety are non-negotiable. Through continuous education, visible support structures, and a strong reporting framework, we strive to uphold the values of respect and trust across the organization.

## AUDITORS & AUDITORS' REPORT

### STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022), were re-appointed as the Statutory Auditor of the company for the tenure of five years commencing from the conclusion of the 30<sup>th</sup> Annual General Meeting of the company until the conclusion of the 35<sup>th</sup> Annual General Meeting to be held in year 2027.

The Auditors' Report for the Financial Year 2024-2025 including report on Internal Financial Controls, are self-explanatory and does not carry any observation/qualification/ adverse remarks etc. or infirmity in the Company's affairs.

### SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder, the Board re-appointed M/s K.K. Sachdeva & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2025. The Secretarial Audit Report for the year under review is provided as "Annexure-H" of this report. The said Secretarial Audit Report does not contain any qualification, reservations, adverse remarks and disclaimer.

Further, pursuant to amended Regulation 24A of SEBI Listing Regulations, and subject to your approval being sought at the ensuing 33<sup>rd</sup> AGM, the Board based on the recommendation of Audit Committee has appointed M/s K.K. Sachdeva & Associates, Practicing Company Secretary (C. P. No. 4721; Peer reviewed certificate no. 1684/2022) as a Secretarial Auditors to undertake the Secretarial Audit of your Company for a term of five (5) consecutive years from the conclusion of 33<sup>rd</sup> Annual General meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting of the Company. Secretarial Auditors have confirmed that they are not disqualified to be appointed as a Secretarial Auditor and are eligible to hold office as Secretarial Auditor of your Company.

### INTERNAL AUDITORS

The Board on the recommendation of Audit Committee approved the re-appointment of M/S GSA & Associates, LLP, Chartered Accountants, Internal Auditors (Firm's Registration No. 000257N/N500339), for conducting the Internal Audit of the Company for the Financial Year 2025-2026.



## **COST AUDITORS**

The cost records as required to be maintained under Section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

M/s. Satija & Co., Cost Accountants (Firm Registration No. 004907) was the Cost Auditors of the Company for the FY 2023-24 & 2024-25. The cost audit report for the FY 2023-24 submitted by the said Cost Auditors during the FY 2024-25 does not contain any qualification, reservation, or adverse remark. Additionally, the Cost Auditors of the Company have not reported any matter under Section 143(12) of the Companies Act, 2013 in their report for FY 2024-25.

The Board of Directors, upon recommendation of the Audit Committee, has re-appointed M/s. Satija & Co., Cost Accountants (Firm Registration No. 004907), as the Cost Auditors for FY 2025-26.

A resolution seeking approval of the members for ratification of the remuneration payable to the Cost Auditors for FY 2025-26 is provided in the Notice of the ensuing Annual General Meeting.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors, Secretarial Auditor and Cost Auditors of your Company have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee, as required under Section 143(12) of the Act.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY THEREOF**

The Board has established comprehensive policies and procedures to govern the orderly and efficient conduct of its business, ensuring adherence to Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and its disclosures.

The Company's internal control systems as laid down are adequate and commensurate with the nature of its business, the size and the complexity of its operations. To further strengthen the internal control system, the Company has a well-established internal audit mechanism. The internal audit is carried out by external independent auditor. The Internal Auditors periodically reviews operational compliances in accordance with documented policies and procedures and evaluates their effectiveness and efficacy in ensuring robust internal control.

The statutory auditors of the Company have audited the financial statements included in this Annual Report and have issued an attestation report on the Company's internal control over financial reporting (as defined in section 143 of the Companies Act, 2013).

## **INVESTOR EDUCATION & PROTECTION FUND**

During the financial year under review, the Company was not required to transfer any funds and equity shares to the investor education and protection fund as per the provisions of Section 125 of the Act.

## **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Business Responsibility and Sustainability Report for the Financial Year ended 31<sup>st</sup> March, 2025 describing the initiatives taken by the Company from an Environment, Social and Governance perspective in prescribed format as stipulated under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as "Annexure-I".

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS DISCLOSURES IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant and material orders, passed by the regulators and courts, or tribunals that materially impact the going concern status and the Company's operations in the future.

## **SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India on Board of Directors / Committee Meetings and General Meetings.

## **ANNUAL RETURN**

Pursuant to Section 134(3)(a) of the Act, read with the rules made thereunder, the annual return as on 31<sup>st</sup> March, 2025 prepared in accordance with Section 92(3) of the Act, is made available on the website of your Company at <https://sandhargroup.com/investors/annual-return>.

## **LISTING ON STOCK EXCHANGE**

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

## **CAUTIONARY STATEMENT**

Statements in the Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

## **PERSONNEL & INDUSTRIAL RELATIONS**

Cordial atmosphere across functional verticals / units contributed to the overall satisfactory performance of the Company. The Directors place on record their deep appreciation of the inspiring and motivating leadership provided by the Chairman, Managing Director & Chief Executive Officer, supported by the Chief Financial Officer and Company Secretary, and the commendable teamwork done by the executives, staff and workers at all levels in various units at different locations.

## **PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the Financial Year 2024-25, no proceedings were initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the Financial Year 2024–25, the Company has not made any one-time settlement with the banks or financial institutions, and there was no difference between the valuation of loan taken from the Banks or Financial Institution; therefore, the same is not applicable to the company.

**DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961**

In accordance with the requirements of the Maternity Benefit Act, 1961, the Company confirms that it is fully compliant with the provisions of the Act. The Company provides all statutory benefits and other entitlements as prescribed under the Act.

The Company is committed to fostering an inclusive and supportive work environment for all employees ensures that all applicable provisions relating to maternity benefits are implemented.

**OTHER DISCLOSURES**

The Managing Director & Chief Executive Officer of the Company has not received any remuneration or commission from any of the subsidiary companies. Further, the Company does not have any holding Company.

**APPRECIATION**

Your Directors extend their gratitude to the various statutory authorities, departments, organizations, and agencies for their continued assistance and cooperation. They also gratefully acknowledge all stakeholders of the Company, including shareholders, customers, dealers, vendors, banks and other business partners, for their excellent support throughout the year. The Directors sincerely appreciate and commend all employees of the Company for their unwavering commitment and ongoing contributions to its success.

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

**Jayant Davar**

Chairman, Managing Director  
and Chief Executive Officer

DIN: 00100801

Place: Gurugram, Haryana

Date: 07<sup>th</sup> August, 2025

## Management Discussion & Analysis–Financial Performance FY 2025

### Industry Snapshot:

The Indian Automobile Industry continued its steady performance in FY2024-25, driven by healthy demand, infrastructure investments, supportive Government policies, and continued emphasis on sustainable mobility. Passenger Vehicles, Two-Wheelers and Three-Wheelers grew in FY 2024-25 compared to FY 2023-24, but growth rates have varied across segments.

In FY2024-25, the Government of India introduced the PM E-DRIVE scheme and PM e-Sewa schemes that underscores the firm commitment of the Government towards promoting sustainable mobility. Looking ahead, the backdrop of stable policy environment, along with recent measures such as reforms in personal income tax and RBI's rate cuts, will help in supporting consumer confidence and demand across segments.

### Production

The industry manufactured a total of 3,10,34,174 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in April 2024 to March 2025, as against 2,84,39,036 units in April 2023 to March 2024 with an increase of 9.13%.

### Domestic Sales

The table below, gives the segment wise sales volumes of the industry:

Segment	FY'25 Volume (Nos.)	FY'24 Volume (Nos.)	Gr %
Passenger Vehicles	17,52,166	19,78,624	(11.45%)
Utility Vehicles	31,59,389	27,55,411	14.66%
Vans	1,60,657	1,56,820	2.45%
Total : PVs + UVs	50,72,212	48,90,855	3.71%
Total: CVs	10,37,657	10,34,588	0.30%
Motorcycles	1,58,73,191	1,45,96,578	8.75%
Scooters	74,22,307	63,51,672	16.86%
Mopeds	5,10,237	4,84,531	5.31%
Total: 2-Wheelers	2,38,05,735	2,14,32,781	11.07%
Three-Wheelers	10,48,334	9,94,778	5.38%
<b>Total</b>	<b>3,09,63,938</b>	<b>2,83,53,002</b>	<b>9.21%</b>

The table below gives the year to date sales volumes of the Company's major OEMs:

OEM Growth Rates		FY'25	FY'24	YoY
Hero MotoCorp	Lacs (Vol.)	58.99	56.21	5%
TVS Motors	Lacs (Vol.)	47.44	41.90	13%
Honda Motorcycles	Lacs (Vol.)	58.32	48.94	19%
Bajaj Auto	Lacs (Vol.)	39.82	37.14	7%
Royal Enfield	Lacs (Vol.)	10.10	9.13	11%
Honda Cars	Lacs (Vol.)	1.26	1.24	2%
Tata Motors- CVs	Lacs (Vol.)	3.77	3.96	(-5%)

The sale of Passenger Vehicles has been 43,01,848 units in April-March 2025, compared to 42,18,750 units in April-March 2024, increased by 1.97%.

The overall sale of Commercial Vehicles has been 9,56,671 units in April-March 2025 compared to 9,68,770 units in April- March 2024, decreased by 1.25%.

The sale of Three-wheelers has been 7,41,420 units in April-March 2025 compared to 6,94,801 units in April-March 2024, increased by 6.71%.

The Two-wheeler sale has been 1,79,74,365 units in April-March 2024, compared to 1,58,62,087 units in April-March 2023, increased by 13.32%.

### Exports

The overall exports have been 53,63,089 units in April-March 2025 compared to 45,00,494 units in April-March 2024, increased by 19.17%.

Passenger Vehicles exports increased by 14.62%. Commercial Vehicles, Three-Wheelers and Two-Wheelers increased by 23.05%, 2.31% and 21.40% respectively in April-March 2025 over the same period last year.

## FINANCIAL PERFORMANCE FY'25

The performance of the Company for the year ended the 31<sup>st</sup> March 2025 is as per the summary given below:

### STL Consolidated:

**Total Revenue:** Total Revenue (including inter-unit/inter-Company stock transfers) for the year ended the 31<sup>st</sup> March 2025 at Rs. 4,243.77 Crs as against Rs. 3,832.53 Crs in year ended the 31<sup>st</sup> March 2024, thereby representing a growth of 11%. After elimination of the inter-unit and inter-Company transactions, the Total Revenue at Consolidated level stood at Rs. 3,901.04 Crs for the year ended 31<sup>st</sup> March 2025 as against Rs. 3,531.90 Crs in the last year, thereby registering a growth of 10%.

The individual Company's Total Revenue (including Other Income), net of Inter-Unit, stood as below:

Company Name	FY'25	FY'24	Act Gr Vs LY
	(Rs. In Crs)	(Rs. In Crs)	%
STL	2,936.21	2,726.25	7.70%
STB (WOS) including its subsidiaries	454.72	489.97	(7.19%)
STPL (WOS)	18.99	20.10	(5.52%)
SEPL (WOS)	397.20	231.00	71.95%
SASPL (WOS)	97.10	70.43	37.87%
SACPL (WOS)	81.62	56.81	43.67%
SAESPL (WOS)	3.12	0.01	
Inter Companies elimination/adjustments	(87.92)	(62.67)	
<b>Total</b>	<b>3,901.04</b>	<b>3,531.90</b>	<b>10.45%</b>

The total contribution of the Subsidiaries to the consolidated Revenue has been Rs. 964.83 Crs in the year ended March 2025 as compared to Rs. 805.65 Crs in the previous fiscal year, constituting 24.73% and 22.81% of the Total Revenue, respectively.

**EBITDA:** At the Consolidated level, the Company registered an EBITDA of Rs. 399.79 Crs in the year ended March 2025 as compared to Rs. 351.40 Crs in the previous year, thereby registering a growth of 13.77%.

The individual Company's performance stands as below:

Company Name	FY'25	FY'24	Act Gr Vs LY
	(Rs. In Crs)	(Rs. In Crs)	%
STL	300.45	263.44	14.05%
STB (WOS) including its subsidiaries	43.03	57.14	(24.69%)
STPL (WOS)	5.11	6.65	(23.16%)
SEPL (WOS)	30.10	6.51	362.37%
SASPL (WOS)	6.62	5.54	19.49%
SACPL (WOS)	28.23	19.26	46.57%
SAESPL (WOS)	(5.62)	(2.92)	92.47%
Inter Companies elimination/adjustments	(8.13)	(4.22)	92.65%
<b>Total EBITDA</b>	<b>399.79</b>	<b>351.40</b>	<b>13.77%</b>

The total contribution of the subsidiaries in the Consolidated EBITDA increases to Rs. 99.34 Crs for the year ended March 2025 from Rs. 87.96 Crs for the year ended March 2024 thereby contributing 24.85% to the total Consolidated EBITDA as against 25.03% in the same period the last year.

### **Total Manufacturing Cost**

At **Consolidated** level, the manufacturing cost as a Percentage to Total Net Revenue from Operations (net of GST) stood at 82.69% in the FY'25 as compared to 82.89% in the FY'24.

At **Standalone** level, the manufacturing cost as a Percentage to Total Net Revenue from Operations (net of GST) stood at 84.76% in the FY'25 as compared to 85.22% in the FY'24.

### **Personnel, Selling and Admin & General Costs:**

At **Consolidated** level, Personnel, Selling, Admin & General Cost are lower at 8.97% in the FY'25 as compared to 9.00% in the FY'24.

At **Standalone** level, Personnel, Selling, Admin & General Cost are lower at 7.52% in the FY'25 as compared to 7.23% in the FY'24.

Foreign exchange gain arising out of trade operations amounted to Rs. 0.08 Cr. in the year FY'25 as compared to gain of Rs. 0.13 Cr. in the previous year.

### **Finance Costs:**

At **Consolidated** level, the Finance Costs increased to Rs. 56.61 Crs (1.46% of Net Revenue) for FY'25 versus Rs. 51.52 Crs (1.46% of Net Revenue) in the FY'24.

At **Standalone** basis, the Finance Costs increased to Rs. 20.49 Crs (0.70% of Net Revenue) for the FY'25 versus Rs. 13.79 Crs (0.51% of Net Revenue) in the FY'24. The interest cost on working capital loans and bill-discounting charges stood at Rs. 8.57 Crs for the FY'25 as compared to Rs. 2.78 Crs in the FY'24.

The average working capital borrowing at Standalone level increased by Rs. 105.88 Crs from Rs. 57.92 Crs in March 24 to Rs. 163.80 Crs in March 25.

### **Loans (Borrowings):**

At **Consolidated** level, the Term Loans as at the 31 March 2025

### **Investments:**

The Total Investments made during the period in various subsidiaries aggregated Rs. 51.00 Crs.

The Total Investments in such subsidiaries and joint ventures stood at Rs. 229.30 Crs.

S. No.	Name of Subsidiary/ Joint Venture	Total Investment as at 31st March, 2025 (Rs. In Crs)	Addition during the year (Rs. In Crs)
1	Sandhar Engineering Private Limited	95.00	10.00
2	Sandhar Auto Electric Solutions Private Limited	20.84	12.50
3	Sandhar Ascalt Private Limited (formerly known as Sandhar Tooling Private Limited)	37.31	28.50
4	Sandhar Technologies Barcelona S.L.	20.29	-
5	Sandhar Auto Castings Private Limited	12.75	-
6	Sandhar Automotive Systems Pvt. Ltd.	16.66	-
7	Sandhar Amkin Industries Pvt. Ltd.	26.62	-
8	Sandhar Han Sung Technologies Pvt. Ltd.	19.56	-
9	Kwangsung Sandhar Technologies Private Limited	10.08	-
10	Winnercom Sandhar Technologies Private Limited	4.00	-
11	Sandhar Han Shin Auto Technologies Private Limited	2.75	-
12	Kwangsung Sandhar Automotive Systems Private Limited	0.99	-
13	Sandhar Whetron Electronics Pvt. Ltd.	9.78*	-
14	Jinyoung Sandhar Mechatronics Pvt Ltd.	-**	-
	Total	276.63	51.00

stood at Rs. 391.27 Crs versus Rs. 392.20 Crs as at 31<sup>st</sup> March 2024. Outstanding working capital loans at the Consolidated level stood at Rs. 429.96 Crs as against Rs. 232.48 Crs as at the 31<sup>st</sup> March 2024.

Outstanding Term Loans on **Standalone** basis, stood at Rs. 90.94 Crs as at the 31<sup>st</sup> March 2025 vs Rs. 119.06 Crs. as at the 31<sup>st</sup> March 2024.

Outstanding working capital loans on **Standalone** basis have been Rs. 163.80 Crs as at 31<sup>st</sup> March 2025 versus Rs. 57.92 Crs as at the 31<sup>st</sup> March 2024.

### **Sundry Debtors:**

At **Consolidated** level, the Receivables as at the 31<sup>st</sup> March 2025 stood at Rs. 557.30 Crs versus Rs. 457.53 Crs as at the 31<sup>st</sup> March 2024.

The Receivables for the Company on **Standalone** basis, stood at Rs. 467.99 Crs as at the 31 March 2025 as against Rs. 402.43 Crs as at 31<sup>st</sup> March 2024.

### **Inventories:**

At **Consolidated** level, the inventories as at the 31<sup>st</sup> March 2025 stood at Rs. 409.49 Crs versus Rs. 336.90 Crs as at the 31<sup>st</sup> March 2024.

The inventories for the Company on **Standalone** basis as at the 31<sup>st</sup> March 2025 stood at Rs. 217.85 Crs as against Rs. 178.38 Crs as at the 31<sup>st</sup> March 2024.

### **Current Liabilities:**

At **Consolidated level**, the Current Liabilities & Provisions as at the 31<sup>st</sup> March 2025 stood at Rs. 672.82 Crs versus Rs. 628.92 Crs as at the 31<sup>st</sup> March 2024.

The current liabilities & provisions for the Company on Standalone basis, stood at, Rs. 419.66 Crs as at 31<sup>st</sup> March 2025 as against Rs. 410.67 Crs as at 31<sup>st</sup> March 2024. This includes Rs. 327.55 Crs trade payables as at 31<sup>st</sup> March 2025.



\*During the year ended 31<sup>st</sup> March, 2025, the Company conducted an impairment review of its investment in equity shares of Sandhar Whetron Electronics Private Limited. Based on the updated assessment, the recoverable amount of the investment, determined using the value-in-use method, exceeded its carrying amount. As a result, the Company has reversed the impairment loss of Rs. 304.33 lakhs that was previously recognized during the earlier years.

\*\*During the year ended 31<sup>st</sup> March 2025, the Company entered into share purchase agreement on 27<sup>th</sup> March 2025 for the sale of its entire 50% stake (dis-investment) in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The Company completed the sale transaction and received an amount of Rs 668.44 lacs on 15 April 2025 and accordingly, the carrying value of Company's investment of Rs 670.57 lacs (Rs 1,336.88 lacs less impairment allowance of Rs 666.31 lacs) has been recognized under Assets held for sale.

#### Cash flow from Operations:

The Company's Cash Flow (**Consolidated & Standalone level**) as at 31 March 2025 stood as under:

(Amount in Rs. Crs.)

Particulars	Consolidated		Standalone	
	FY'25	FY'24	FY'25	FY'24
<b>Cash Flows from Operating Activities</b>				
Profit before tax	184.59	150.21	186.14	154.32
Depreciation and amortization expense	170.60	153.62	96.86	89.77
Other adjustments	38.54	42.63	3.63	14.48
Operating profit before working capital changes	393.73	346.45	286.64	258.57
Movements in working capital:	(95.99)	(34.70)	(81.80)	(84.86)
<b>Cash generated from operations</b>	297.74	311.76	204.83	173.71
Taxes Paid	50.77	36.94	46.87	35.03
<b>Net cash inflow from operating activities (A)</b>	246.97	274.82	157.96	138.68
<b>Cash Flows from Investing Activities</b>				
Capital Expenditure	(316.18)	(237.22)	(140.11)	(124.80)
Investments in joint ventures & subsidiaries	-	(4.95)	(36.00)	(40.27)
Change in investments	9.18	(1.40)	-	-
Other Receipts	16.83	4.60	18.47	6.30
<b>Net cash used in investing activities (B)</b>	(290.17)	(238.97)	(157.64)	(158.77)
<b>Cash Flows from Financing Activities</b>				
Borrowings/Repayment	196.54	77.25	77.76	56.85
Payment of lease liabilities	(26.33)	(24.39)	(10.97)	(9.97)
Dividend Paid	(19.56)	(15.08)	(19.56)	(15.05)
Interest paid	(49.90)	(44.92)	(17.23)	(11.58)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	100.75	(7.13)	29.99	20.26
Foreign currency translation gain	(9.60)	(2.07)	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	57.55	28.71	30.31	0.17
Opening Cash Balance	33.14	6.51	0.30	0.13
Cash and equivalents at the end of the year	81.09	33.14	30.62	0.30

#### Contingent Liabilities:

The Company's Contingent Liabilities as at the 31 March 2025 stood as under (all Fig. in Rs. Crs):

Particulars	31 March 2025	31 March 2024
<b>a. Claims against the Company not acknowledged as debts</b>		
- Service tax matters	0.56	0.56
- Goods and services tax	7.76	0.66
- Income tax matters	0.83	0.55
- Matters related to land	0.80	10.16
- Matters related to labour, employees/ ex-employees	0.55	0.47
- Other matters related to accident claim, environmental compensation, and supplier's matters etc.	7.62	8.11
<b>b. Guarantees given by the Company</b>	410.98	273.58
<b>- Total (a+b)</b>	<b>429.10</b>	<b>294.09</b>

**Outlook:**

All segments of the industry are expected to continue with the growth momentum in FY 2025–26, building on the robust performance of recent years due to stable macroeconomic conditions, proactive government policies, and Infrastructure spending by the Government.

A normal monsoon, as currently forecasted for 2025, is expected to support broader economic activity, especially in rural and semi-urban regions, which would be a tailwind for auto sector demand.

The sector will also benefit from the reforms in the personal income tax announced in the recent Union Budget of 2025–26, which has been followed by two back-to-back rate cuts by RBI. These measures would help in creating demand by increased accessibility of vehicle financing.

Export demand in key markets of interest, such as Africa and neighbouring countries, is likely to continue as 'Made in India' vehicles are gaining traction.

Overall, the Automobile Industry will closely monitor macroeconomic factors and global geopolitics, which will determine the key demand conditions, and supply chain dynamics going forward.

## Annexure-B

### STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES

#### PART – “A”:-SUBSIDIARIES

(Rupee in Lacs)

S. No.	Name of Subsidiary	Reporting Currency	Exchange Rate as on Last Day of Relevant Financial Year	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment (excluding investment made in subsidiary)	Turnover	Profit before taxation	Provisions for taxation	Profit After taxation	Proposed Dividend	% of Shareholding
1.	Sandhar Ascast Private Limited (Formerly Known as Sandhar Tooling Private Limited)	INR	-	1038.46	4355.89	12779.18	7384.83	-	1815.14	354.79	53.86	300.93	-	100
2.	Sandhar Auto Casting Private Limited	INR	-	1275.00	834.35	9253.69	7144.34	-	8147.20	925.97	232.59	693.38	-	100
3.	Sandhar Engineering Private Limited	INR	-	9500.00	(3518.38)	25756.36	19774.74	-	39486.33	(103.74)	118.23	(221.97)	-	100
4.	Sandhar Automotive Systems Private Limited	INR	-	3099.63	(589.86)	4203.95	1694.18	95.38	10037.30	457.65	158.90	298.75	-	100
5.	Sandhar Auto Electric Solutions Private Limited	INR	-	2083.50	(920.95)	1806.26	643.71	-	312.28	(628.49)	37.48	(665.97)	-	100
6.	Sandhar Technologies Barcelona S.L	INR	-	2143.37	2501.68	67123.92	62478.87	-	45255.25	(2108.59)	957.51	(1151.08)	-	100

# STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

## PART "B" JOINT VENTURES

(Rupees in Lacs)

S. No.	Name of Associate/ Joint Venture	Shares of Associate/ Joint Venture held by the company on the year end*				Profit For the Year			Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated
		Latest Audited Balance Sheet Dates	No.	Amount of Investment in Associate/ Joint Venture	Extent of Holding %	Net worth attributable to Shareholding as per latest Audited Balance Sheet ( In Lakhs)	Considered in Consolidation	Not Considered in Consolidation		
1.	Sandhar Han Sung Technologies Private Limited	31 <sup>st</sup> March, 2025	1,72,20,600	1722.06	50%	1504.84	149.52	149.52	Note (a)	N.A.
2.	Sandhar Han Shin Auto Technologies Private Limited	31 <sup>st</sup> March, 2025	27,50,000	275.00	50%	484.65	213.39	213.39	Note (a)	N.A.
3.	Winnercom Sandhar Technologies Private Limited	31 <sup>st</sup> March, 2025	4,00,000	400.00	50%	674.68	147.16	147.16	Note (a)	N.A.
4.	Sandhar Whetron Electronics Private Limited	31 <sup>st</sup> March, 2025	97,84,500	978.45	50%	988.84	95.74	95.74	Note (a)	N.A.
5.	Jinyoung Sandhar Mechatronics Private Limited**	31 <sup>st</sup> March, 2025	68,64,988	-	50%	-	-	-	Note (a)	N.A.
6.	Kwangsung Sandhar Technologies Private Limited***	31 <sup>st</sup> March, 2025	1,00,84,555	1008.46	50%	399.53	84.47	84.47	Note (a)	N.A.
7.	Sandhar Amkin Industries Private Limited	31 <sup>st</sup> March, 2025	26,620,000	2662.00	69.12%	1235.75	279.60	124.92	Note (a)	N.A.

\* Equity Shares of Associate/ Joint Venture held by the company on the year end are considered.

\*\* Company has executed a Share Purchase Agreement with Jinyoung Electro-Mechanics Co. Ltd., a company incorporated under the laws of South Korea (Business Registration No. 608-81-26822) for the sale of entire stake in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited vide dated 27th March, 2025 and the transaction was successfully concluded on 15th April, 2025.

\*\*\* Company has executed a Share Purchase Agreement with Kwangsung Corporation Ltd. a joint stock company incorporated and existing under the Laws of Korea, having its registered office at 212-14, Neungan-gil, Songsan-myeon, Dangjin-si, Chungcheongnam-do, Korea for the sale of entire stake in Joint Venture namely, Kwangsung Sandhar Technologies Private Limited vide dated 19th June, 2025 and the transaction was successfully concluded on 24th June, 2025.

Note:

(a) There is a significant influence by virtue of joint control

Place: Gurugram, Haryana

Date: 22nd May, 2025

For and on behalf of Board of Directors of Sandhar Technologies Limited

Jayant Davar  
Chairman, Managing Director  
& CEO  
DIN: 00100801

Yashpal Jain  
Chief Financial Officer and  
Company Secretary  
ICSIM. No. A13981

Archana Capoor  
Director  
DIN: 01204170

Aabha Bakaya  
Director  
DIN: 05131734



# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

## 1. A brief outline of the Company's Corporate Social Responsibility (CSR) Policy.

At Sandhar Technologies Limited (the "Company"), Corporate Social Responsibility (CSR) is a fundamental component of our Corporate philosophy. Our mission is to make a positive and lasting impact in the communities where we operate—contributing to a better planet, improved quality of life for people, and sustainable progress. We aim to achieve this by leveraging our core competencies, resources, technology. CSR initiatives are primarily implemented through the Sandhar Foundation, the CSR and philanthropic arm of the Sandhar Group. In addition, the Company collaborates with various implementing agencies and undertake independent initiatives to ensure the effective execution of projects. Our CSR approach is closely aligned with our business objectives to foster inclusive and sustainable development.

The Company's CSR Policy, formulated in accordance with the guidance of the Board of Directors and based on the recommendations of the Corporate Social Responsibility Committee ("CSR Committee"), provides a structured framework for the selection, implementation, monitoring, and evaluation of CSR activities, as well as the preparation of the annual CSR action plan. The policy prioritizes the comprehensive development of underserved communities, particularly those located near our offices and manufacturing facilities across India. With a strong focus on key areas such as education, healthcare, and other essential social needs, the Company remains committed to contributing meaningfully to the society it operates within, promoting equitable growth and long-term social value.

Sandhar Technologies Limited is making efforts towards building economic, social and environmental capital and enhancing social sustainability by contributing in the following areas:

- Education and Skill Development;
- Health Care;
- Environment protection;
- Promoting gender equality and empowerment of women;
- Skilling
- Community Development and
- Others

The detailed description is given in the CSR Policy of the Company.

## 2. Composition of the CSR Committee as on 31<sup>st</sup> March, 2025 :

S. No	Name of the Director	Designation	Nature of Directorship	No. of meetings held during the year	No. of meeting attended during the Year
1.	Shri Jayant Davar	Chairperson	Chairman, Managing Director and Chief Executive Officer	3	2
2.	Smt. Monica Davar	Member	Non-Executive & Non-Independent Director	3	3
3.	Shri.Vikrampati Singhania*	Member	Non-Executive - Independent Director	2	2
4	Shri. Arvind Kapur*	Member	Non-Executive - Independent Director	1	1

### \*Notes:

The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the CSR Committee with incorporating following changes:

- Shri Vikrampati Singhania (Non-Executive Independent Director) was appointed as a member of the committee.
- Shri Arvind Kapur (Non-Executive Independent Director) ceased to be a member of the Committee.

## 3. Web-links of Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company at.

Composition of CSR Committee as on 31<sup>st</sup> March, 2025 <https://sandhargroup.com/investors/board-of-directors-its-committees>

CSR Policy- [https://sandhargroup.com/uploads/Investor/csr-policy\\_08022023new.pdf](https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf)

CSR Projects- <https://sandhargroup.com/about/sandhar-foundation>

## 4. Provide the executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable.

- Average net profit of the company as per sub-section (5) of section 135 for the financial year 2024–25: INR 11,702.18 Lacs
  - 2% of average net profit of the company as per section 135(5): INR 234.04 Lacs

- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
 (d) Amount required to be set off for the financial year if any: INR 10.90 Lacs  
 (e) Total CSR obligation for the financial year (5b+5c-5d): INR 233.15 Lacs

6. (a) Amount spend on CSR Projects (both Ongoing Project and other than Ongoing Project): INR. 113.35 Lacs <sup>\*Note1</sup>  
 (b) Amount spent in Administrative Overheads: NIL  
 (c) Amount spend on Impact Assessment: NIL  
 (d) Total amount spent for the financial year (6a+6b+6c): INR. 113.35 Lacs  
 (e) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year (INR in lacs)	Amount Unspent (INR in Lacs)				
	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
113.35	130.00	21 <sup>st</sup> April, 2025	NIL	NIL	NIL

- (f) Excess amount for set off, if any:

S. No.	Particulars	Amount (INR in lacs)
i)	Two percent of average net profit of the company as per section 135(5)	234.04
ii)	Total amount spent for the Financial Year	243.35
iii)	Excess amount spent for the financial year [(ii)-(i)]	9.31
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	9.31

7. Details of Unspent CSR amount for the preceding three financial years:

1.	2.	3.	4.	5.	6			7.	8.
S. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under section 135(6) (INR in Lakhs)	Balance Amount in unspent CSR Account under section 135(6)	Amount spent in the Financial Year (INR in Lakhs)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any			Amount remaining to be spent in succeeding financial years (INR in Lacs)	Deficiency, If any
					Name of fund	Amount (in INR)	Date of transfer		
1	2023-24	45.00	45.00	NIL	NIL	NIL	NIL	45.00	-
2	2022-23	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-
3	2021-22	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-

8. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

If yes, enter the number of Capital Assets created/ acquired: N.A.

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) – NA

\*Note1: During the year under review that company has made total CSR Contribution of INR 243.35 Lacs. However, as per the reports/certificates received from implementing agency an amount of INR 130.00 Lacs allocated & transferred for the healthcare project (ongoing project) has remained unspent as on 31<sup>st</sup> March, 2025 and the said implementing agency has transferred the said unspent amount to the Unspent CSR Account on dated 21<sup>st</sup> April, 2025.

For and on behalf of the Board of Directors of  
**For Sandhar Technologies Limited**

**Jayant Davar**  
 Chairman, Managing Director & Chief Executive Officer  
 Chairperson of CSR Committee  
 DIN: 00100801

Date: 07<sup>th</sup> August, 2025  
 Place: Gurugram, Haryana

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]

### A. CONSERVATION OF ENERGY

#### (i) Steps taken or impact on conservation of energy:

The Company has constantly been emphasizing on optimization of energy conservation in every possible area in its plants. Various avenues are being explored at periodic intervals and after careful analysis and planning, measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment's. During the year under review, following measures were initiated/ adopted for conservation and optimum utilization of energy.

Following energy saving measures were undertaken during F.Y. 2024-25 in identified plants.

- a) Standard efficiency induction motors replaced with premium efficiency motors.
- b) Servo-stabilizer installed to get stable voltage for machinery & to reduce machinery failure & energy loss.
- c) VFD's installation on process motors.
- d) Servo system (Motor & Drive) in Hydraulic Power Packs of Injection Molding Machines.
- e) Electronically controlled Fume Exhaust System installed in place of conventional Exhaust system.
- f) Air conditioner replaced with five stars rated and shop floor lights with energy efficient lights

**IMPACT: 2,02,843 Kwh overall saved**

#### (ii) Steps Taken for utilizing alternate renewal sources of energy:

- a) Solar plants total installed capacity of 4184 KWp.
- b) Signed PPA for Rooftop Solar under Installation of 1850 KWp Capacity.
- c) Under finalization for Open access Group Captive Solar with Capacity of 6MWp and Wind 1MW.

**IMPACT: 33,68,000 Kwh generated by Solar plants.**

#### (iii) Capital investment on energy conservation equipment:

**Total Investment: INR. 0.60 Cr.**

#### (iv) Green Initiatives

- a) 100% installation of (RECD) Retrofitted Emission Control Device on all STL DGs Set to reduce Nox-Nitrogen Oxide, CO-Carbon Monoxide, PM-Particulate Matters & HC- Hydro Carbon as per Regulatory Guidelines.
- b) LPG/PNG used as a clean fuel in our new plants.

- c) Implementing rainwater harvesting (RWH) systems to recharge groundwater and planning water-positive initiatives across all plants.
- d) Dedicated feeder installed in various plants to enhance power quality for Machineries & to reduce usage of diesel.
- e) Hybrid Energy Source (Wind Power & Solar Power) through open access planned for green energy generation.

### B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D):

#### (i) Efforts made towards technology absorption:

- a) IOT implementation under process for plant capacity utilization, energy analysis & process improvement.
- b) Upgraded FFC Test Rig for 100% verification of the Breath-in & Breath-out valve opening pressure of the product.
- c) Reduction in water consumption - Ultra-filtration setup to filter the discharged water from STP for reuse for gardening & flushing requirements.
- d) Vehicle-level Fuel tank Cap leak testing was introduced to reduce the rejection.
- e) An XRF machine was deployed for 100% plating thickness checking.
- f) Installed Retrofit Emission Control device in DG sets.
- g) Automated Tumbler disk insertion system.
- h) Smart Lock System: Uses LF-RF technology for the end user authentication.
- i) Electronic Handle Lock: EHL used to move the Lock bolt to Lock or Unlock position with the help of a DC motor using CAN bus.
- j) Anti-theft technology has been introduced in the Smart Lock Assembly Steering for 2-wheelers. If force is applied to rotate the lock, the key knob automatically returns to its original position.

#### (ii) Research & Development activities carried out / new products developed in F.Y. 2024-25

- a) Sandhar Centre for Innovation & Development (SCID) is the centralized in-house R&D centre of Sandhar group. It is engaged in enriching the existing product portfolio, designing & developing futuristic products with anticipated business potential.
- b) The activities of SCID can be broadly classified as follows:
  - i. Development of futuristic products with anticipated business potential capturing the voice of customers and upcoming government regulations.

- ii. Sandhar has joined the PLI (Production Linked Incentive) Scheme launched by the Government of India and is committed to meet all the requirements to avail advantages of the PLI Scheme.
- iii. Engaged in the research, design, and development of electric vehicle components as specified in the PLI Scheme, such as motor controllers, off-board chargers, and DC-DC converters.
- iv. Upgradation of existing products to meet customers' expectations from time to time.
- v. To support the engineering team at various plants in product design & development.
- vi. IPR (Intellectual Property Rights) related activities, including patent filing, design registration, and vigilance against possible infringement and litigation.
- vii. PLM activities, i.e. Centralised Engineering Document & Data Control, ensuring data safety, prevention of data duplicity, and digitalization of data storage across the group.
- viii. Providing services to group companies related to FEA, RE, Prototyping, Inspection, and Benchmarking.
- c) We are equipped with adequate R&D infrastructure, with a team of more than 25 well qualified and experienced mechanical and electronics engineers playing a significant role in conducting R&D and developing tested and validated innovative products for our valued customers.

#### NEW PRODUCTS DEVELOPED

1. Electronic Handle Lock for scooters
2. DC-DC converter
3. Traction motor controller
4. Off-board charger/Portable charger
5. Lift gate Handle
6. E-Latch
7. New Key FOB of Smart Lock for Motorcycle

#### PATENTS GRANTED [02 PATENTS]

1. Shutter assembly for a lock of two-wheeler vehicles
2. Mirror assembly for two-wheelers

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Details of Technology imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place and the reasons thereof
Electro Chromatic Mirror Assy (Dimming Mirror)	FY24	Under process	For localization of EC Mirror Plate, certain volume is required. Since the product is not being commonly used in all the PV segment therefore the volume is less and it is applicable for higher version PV model car.
Smart Lock Assy for EV and IC scooters segment. Switch Assy Handle Lock, ECU & FOB Key is a set of Smart Lock.	FY24	Yes	N.A.
3DPA (Outer handle)	FY25	Yes	N.A.

(iii) The expenditure incurred on Research and Development:

S. No.	Particular	Amount (in lakhs)
1	Capex	161.57
2	Opex	741.44
<b>Total</b>		<b>903.01</b>

#### C. FOREIGN EXCHANGE EARNING AND OUTGO DURING THE YEAR

Particulars	Amount (in lakhs)
<b>Inflow:</b>	
Sales (FOB)	1,758.58
Total	1,758.58
<b>Outflow:</b>	
On Capital Equipment	2,626.81
On Know-how	N.A.
Others	566.50
Raw Materials	7,748.58
Consumables & Spares	1,297.39
Tour and Travel	0
Royalty	64.90

## REPORT ON CORPORATE GOVERNANCE

The Board of Directors ("the Board" / "the Directors") of Sandhar Technologies Limited ("STL" / "the Company") present the Company's Report on Corporate Governance for the year ended the 31<sup>st</sup> March, 2025. The said report is in compliance with the terms of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

The Company ensures that its governance framework incorporates all the amendments introduced in the Listing Regulations and the same are duly complied.

### I. PHILOSOPHY:

The Company is committed to good Corporate Governance practices, aimed at increasing value for all stakeholders, comprising regulators, employees, customers, vendors, investors and the society at large, through ethically driven business practices. The Company's corporate governance philosophy is based on the tenets of integrity, accountability, transparency, value and ethics, demonstrating the Company's commitment to adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Strong leadership and effective corporate governance practices have long defined our company, a legacy inherited from its culture and ethos.

We prioritize Corporate Excellence with a dedicated focus on governance, regulatory and ethical compliance, corporate social responsibility, environmental stewardship and sustainability. As a values-driven organization, building trust among shareholders, employees, customers, suppliers and other stakeholders is paramount.

Our corporate governance philosophy has been further strengthened by adopting policy on the Code of Conduct and Business Ethics, Anti-Bribery Policy, Data Protection and Privacy, Confidentiality of Information, Training on Prohibition of Insider Trading, Prevention of Sexual Harassment, promotion of Human Rights, Fair Labour Practices etc. We maintain a robust Whistle Blower Mechanism, which is monitored and reported periodically.

In dealing with external stakeholders, the Company believes in maintaining transparency with timely notification of information. The leadership in the Company sets the tone through their actions, ensures that the organisation remains true to its culture and values in both letter and spirit. The Company fosters a culture in which high standards of ethical behavior, individual accountability and transparent disclosure are ingrained in all its business dealings. The Company has established systems and procedures to ensure that its Board of Directors are well-informed and well-equipped to discharge its overall responsibilities and to provide the management with the strategic direction needed to create long-term stakeholders' value.

We are committed to evolving and adhering not only to established corporate governance guidelines but also to global best practices. We consider it our inherent responsibility to protect the rights of our stakeholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of

the Company

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

Sandhar upholds a robust legacy of fair, transparent and ethical governance practices. We have implemented a Code of Conduct for Directors and Senior Management, which is publicly accessible on our company's website at [https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt\\_new.pdf](https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf)

### II. BOARD OF DIRECTORS:

#### Composition:

The composition of the Board of Directors of the Company is governed by the relevant provisions of the Companies Act, 2013 ('Act') and rules made thereunder and Regulation 17 of Listing Regulations and all other applicable laws in accordance with the best practices in Corporate Governance.

The Corporate Governance philosophy of your Company establishes that the Board's Independence is essential to bring objectivity and transparency in the Management and in the dealings of the Company.

As of 31<sup>st</sup> March, 2025, the Board of Directors comprises 10 (Ten) Directors. Out of 10 (Ten) Directors, 6 (Six) are Non-Executive Independent Directors, 3 (Three) are Non-Executive Non-Independent Directors and 1 (One) Executive Non-Independent Director. The composition of the Board of Directors represents an optimal mix of professionalism, qualification, knowledge, skill sets, track record, integrity, expertise and diversity of experience as required in the automotive components business. The Board reviews its strengths and combination from time to time to ensure that it remains aligned with the statutory as well as business requirements.

Further, as on the 31<sup>st</sup> March, 2025:

- (i) None of the Directors on the Board held Directorships in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder;
- (ii) None of the Directors on the Board, was a member of more than ten committees (the committees being, Audit Committee and the Stakeholders' Relationship Committee), across all public limited companies in which he/she is a Director;
- (iii) None of the Directors of the Company was a Chairman of more than five committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/she is a director;
- (iv) None of the Directors of the Company was a Director or Independent Director in more than seven listed entities;



(v) None of the Whole-time Director/ Managing Director of the Company serve as an Independent Director in more than three listed companies; and

(vi) None of our Independent Directors serves as a Non-Independent Director of any company on the Board of which any of our Non-Independent Directors is an Independent Director.

#### Composition of Board of Directors as on the 31<sup>st</sup> March, 2025

Name of Director	Designation	Category
Shri Jayant Davar (DIN: 00100801)	Chairman, Managing Director and Chief Executive Officer	Promoter
Smt. Archana Capoor (DIN: 01204170)	Non-Executive Independent Director	Non-Promoter
Shri Vikrampati Singhania (DIN: 00040659)	Non-Executive Independent Director	Non-Promoter
Shri Vimal Mahendru (DIN: 00006016)	Non-Executive Independent Director	Non-Promoter
Shri. Bharat Anand (DIN: 02806475)	Non-Executive Independent Director	Non-Promoter
Shri Arjun Sharma (DIN: 00003306)	Non-Executive Independent Director	Non-Promoter
Smt. Aabha Bakaya (DIN: 05131734)	Non-Executive Independent Director	Non-Promoter
Shri Sandeep Dinodia (DIN: 00005395)	Non-Executive & Non-Independent Director*	Non-Promoter
Smt. Monica Davar (DIN : 00100875)	Non-Executive & Non-Independent Director	Promoter
Shri Neel Jay Davar (DIN: 09201336)	Non-Executive & Non-Independent Director	Promoter

\* Members of the Company Via Postal ballot resolution dated 26<sup>th</sup> June, 2025, has appointed/re-designated Shri Sandeep Dinodia as Non-Executive Independent Director of the Company.

#### Notes:

- Smt. Monica Davar, is the spouse of Shri Jayant Davar, Chairman, Managing Director and Chief Executive Officer of the Company.
- Shri Neel Jay Davar is the son of Shri Jayant Davar, Chairman, Managing Director and Chief Executive Officer of the Company.
- Except as above, none of the other Directors is related to any other Director on the Board.

#### Independent Directors

As on 31<sup>st</sup> March, 2025, the Board of Sandhar Technologies Limited comprised of Six (6) Independent Directors, who in the opinion of the Board, fulfil the requirements as stipulated under Section 149 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management. The necessary declarations from Independent Directors affirming that they meet the criteria of independence as required under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are obtained. The Independent Directors abide by the code of conduct adopted by the Company and as laid out under Schedule IV of the Companies Act, 2013.

#### Meeting of Independent Directors

A separate meeting of Independent Directors for the financial year 2024–25 as per Clause VII (1) of Schedule IV under Section 149(8) of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations was held on 17<sup>th</sup> March, 2025, without the participation of the Non-Independent Directors and management members, wherein the Independent Directors reviewed:

- the performance of the Managing Director, Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company taken into account the views of other Directors of the Company; and

- the flow of information between Company management and the Board in terms of quality, timeliness and quantity, in order to ensure that the Board discharges its duty effectively and reasonably.

#### Familiarisation for Independent Directors

In compliance with Regulation 25(7) of the Listing Regulations, the Company has a structured programme for orientation and training of directors at the time of their joining and thereafter, to enable them to understand the nature of the industry in which the Company operates, business model of the Company, their rights and responsibilities as Independent Directors.

The exhaustive induction for Independent Directors enables them to be familiarized with the Company, its history, values and purpose. The familiarization programme for the financial year 2024–25 includes presentation by Senior Officials of the Company in respect of (i) insights on the CMT (Casting Machining and Tooling) Business Vertical of the Company i.e., Business journey, the current operations level, future targets, growth and expansion plans etc. (ii) the major regulatory amendments/updates, as and when required in order to ensure a clear understanding of the company's operations and its operating environment.

The details of the familiarisation programmes for Independent Directors are available on the website of the Company and can be accessed [https://sandhargroup.com/uploads/Governance/familiarisation-programme\\_independent-director\\_fy2024-25.pdf](https://sandhargroup.com/uploads/Governance/familiarisation-programme_independent-director_fy2024-25.pdf)

## Resignation of Independent Directors

During the year under review, none of the Independent Directors of the Company has resigned.

## Meetings of the Board

During the Financial Year under review, the Board of Directors met 5 (five) times to discuss and deliberate on various matters. The Board have met quarterly and the gap intervening between

two meetings was within the time prescribed under the Act and the Listing Regulations.

For the convenience of all directors and the management team, the annual schedule of Board of Directors meetings, committee meetings and the Annual General Meeting is tentatively fixed at the beginning of the year and shared with the Board members.

**As on 31<sup>st</sup> March, 2025, the composition of the Board, category of director, attendance at the Board Meetings during the year under review and the Annual General Meeting, are given herein below:**

S. No.	Quarter		I	II	III	IV		No. of Total Meetings Attended	Attendance at Last Annual General Meeting
	Date of Meeting		23.05.2024	08.08.2024	11.11.2024	12.02.2025	17.03.2025		
	Director Name	Designation	(Through VC/ Hybrid)	(Through VC/ Hybrid)	(Through VC/ Hybrid)	(Through VC/ Hybrid)	Physical		
1.	Shri Dharmendar Nath Davar <sup>i</sup>	Chairman – Emeritus	LOA	NA	NA	NA	NA	0	NA
2.	Shri Jayant Davar <sup>ii</sup>	Chairman, Managing Director and Chief Executive Officer	✓	✓	✓	✓	✓	5	✓
3.	Shri Arvind Kapur <sup>iii</sup>	Non-Executive Independent Director	✓	NA	NA	NA	NA	1	NA
4.	Smt. Archana Capoor	Non-Executive Independent Director	✓	✓	✓	LOA	✓	4	✓
5.	Shri Vikrampati Singhania	Non-Executive Independent Director	✓	✓	LOA	✓	LOA	3	✓
6.	Shri Vimal Mehendru <sup>iv</sup>	Non-Executive Independent Director	✓	✓	✓	✓	LOA	4	✓
7.	Shri Bharat Anand <sup>v</sup>	Non-Executive Independent Director	LOA	✓	✓	✓	✓	4	✓
8.	Shri Arjun Sharma	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	✓
9.	Smt. Aabha Bakaya <sup>vi</sup>	Non-Executive Independent Director	NA	✓	✓	✓	✓	4	✓
10.	Shri Sandeep Dinodia	Non-Executive & Non-Independent Director	✓	✓	✓	✓	✓	5	✓
11.	Smt. Monica Davar	Non-Executive & Non-Independent Director	✓	✓	✓	✓	✓	5	✓
12.	Shri Neel Jay Davar	Non-Executive & Non-Independent Director	✓	✓	✓	✓	LOA	4	✓
<b>Total Board Strength</b>			<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>		
<b>Total Present</b>			<b>9</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>7</b>		
<b>Absent/ Leave of Absence</b>			<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>		

## Notes:

- Shri Dharmendar Nath Davar, resigned from the position of Chairman and Director of the Company w.e.f. 23<sup>rd</sup> May, 2024, due to health conditions. The resignation letter is available on the website of the Company and can be accessed via the following link: <https://sandhargroup.com/uploads/Investor/resignation-of-shri-dharmendar-nath-davar.pdf>. The Board in their meeting held on 23<sup>rd</sup> May, 2024 has taken on record the resignation of Shri Dharmendar Nath Davar and honoured him with the distinguished title "Chairman – Emeritus". Further, Shri Dharmendar Nath Davar departed for his eternal journey on 29<sup>th</sup> December, 2024.
- Shri Jayant Davar was appointed and designated as Chairman and Chief Executive Officer (CEO) of the Company effective from 23<sup>rd</sup> May, 2024. From the said date onward(s), his designation in the Company is Chairman, Managing Director and CEO.
- Shri Arvind Kapur, Non-Executive Independent Director on the Company's Board, completed his second term as Independent Director on 03<sup>rd</sup> July, 2024 and ceased to hold the position of Director from that date.
- Shri Vimal Mahendru, Non-Executive Independent Director, concluded his initial term as Independent Director of the Company on 04<sup>th</sup>

November, 2024 and his re-appointment for a second consecutive term of 5 years was approved by the members of the Company at the 32<sup>nd</sup> AGM held on 24<sup>th</sup> September, 2024, effective from 05<sup>th</sup> November, 2024.

- v. Shri Bharat Anand, Non-Executive Independent Director, concluded his initial term as Independent Director of the Company on 11<sup>th</sup> August, 2024 and his re-appointment for a second consecutive term of 5 years was approved by the members of the Company at the 31<sup>st</sup> AGM held on 21<sup>st</sup> September, 2023, effective from 12<sup>th</sup> August, 2024.
- vi. Smt. Aabha Bakaya was appointed as an Additional Director (Non-Executive Independent Director) effective from 08<sup>th</sup> August, 2024, for a term of 5 consecutive years. Her appointment was subsequently approved by the members of the Company at the 32<sup>nd</sup> AGM held on 24<sup>th</sup> September, 2024.

Shri Jayant Davar, Chairman, Managing Director & Chief Executive Officer, Smt. Monica Davar, Non- Executive Non Independent Director and Shri Neel Jay Davar, Non-Executive Non Independent Director of the company are relatives in terms of the Act.

#### Other Directorships, Chairmanships and Memberships of the Board members:

**The following table indicating the number of directorships and committee positions held in other public companies and names of other listed entities in which Directorships is held, including category of Directorships, as on 31st March, 2025:**

S. No.	Name of the Director	No. of Directorship in other public Companies*	No of Committee position in other public companies (Audit Committee and Stakeholder's Relationship Committee)**		Directorship in other listed entities (Category of Directorship)	
			Chairperson	Member	Name of other listed entity	Category of Directorship
1.	Shri Jayant Davar, Chairman, Managing Director & Chief Executive Officer <sup>#</sup>	3	-	3	i) HEG Limited	Independent Director
2.	Smt. Archana Capoor (ID)	7	5	10	i) RSWM Limited ii) Maral Overseas Limited iii) S Chand and Company Limited iv) Samhi Hotels Limited v) Bhilwara Technical Textiles Limited	Independent Director
3.	Shri Vikrampati Singhania (ID)	5	1	3	i) JK Agri Genetics Limited ii) Lumax Industries Limited iii) Transport Corporation of India Limited	Managing Director Independent Director
4.	Shri Vimal Mehendru (ID)	1	-	2	-	-
5.	Shri Bharat Anand (ID)	5	0	3	i) Mankind Pharma Limited ii) Syrma SGS Technology Limited iii) JK Paper Limited	Independent Director
6.	Shri Arjun Sharma (ID)	1	1	1	-	-
7.	Smt. Aabha Bakaya (ID)	1	0	2	-	-
8.	Shri Sandeep Dinodia*** (NED-NI)	2	1	2	i) Ester Industries Limited	Independent Director***
9.	Smt. Monica Davar (NED-NI)	1	-	-	-	-
10.	Shri Neel Jay Davar (NED-NI)	1	-	-	-	-

ID-Independent Director, NED-NI – Non-Executive Director-Non-Independent

\*Includes directorship in Sandhar Technologies Limited and excludes directorship in Private Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013, alternate directorships, Trust and Society.

\*\* For the purpose of considering the limit of Committee Memberships and Chairpersonships of a Director, Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies, whether listed or not, have been considered. Also includes the Memberships & Chairpersonships of Sandhar Technologies Limited.

\*\*\* Shri Sandeep Dinodia has been re-designated as Non-Executive Independent Director of the Company w.e.f., 26<sup>th</sup> June, 2025 and approved by the members through Postal Ballot resolution dated 26<sup>th</sup> June, 2025.

\*\*\*Shri Sandeep Dinodia ceased to hold the position of Independent Directorship in Ester Industries Limited due to the completion of his second term of 5 consecutive years at the close of business hours on 31<sup>st</sup> March, 2025.

<sup>#</sup>As of 5<sup>th</sup> June, 2025, Shri Jayant Davar's total number of directorships has been reduced to two (2), following the strike-off of Sandhar Intelli-Glass Solutions Limited.

Notes: In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairperson/membership of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies (listed and unlisted) including Sandhar Technologies Limited.

**(c) Board qualifications, expertise and attributes**

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person is a proven leader in a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Board has adequate mix of skills, expertise and competencies for running the business of the Company as detailed below:

S. No.	Name of Director	Designation	Strategy & Planning	Administration and Management	Governance	Sales and Marketing	Finance and Law	Operations
1.	Shri Jayant Davar	Chairman, Managing Director & Chief Executive Officer	✓	✓	✓	✓	✓	✓
2.	Smt. Archana Capoor	Non-Executive Independent Director	✓	✓	✓	-	✓	-
3.	Shri. Vikrampati Singhania	Non-Executive Independent Director	✓	✓	✓	✓	✓	-
4.	Shri. Vimal Mahendru	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓
5.	Shri. Bharat Anand	Non-Executive Independent Director	✓	✓	✓	-	✓	-
6.	Shri. Arjun Sharma	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓
7.	Smt. Aabha Bakaya	Non-Executive Independent Director	✓	✓	✓	✓	✓	-
8.	Shri. Sandeep Dinodia	Non-Executive & Non - Independent Director	✓	✓	✓	✓	✓	-
9.	Smt. Monica Davar	Non-Executive & Non- Independent Director	-	✓	✓	✓	-	-
10.	Shri. Neel Jay Davar	Non-Executive & Non- Independent Director	✓	✓	-	✓	✓	✓

During Financial Year 2024–25, information mentioned in Part A of Schedule II of the Listing Regulations and the compliance report of all applicable laws was duly placed before the Board for its consideration. Further, the Directors were provided the facility of Video-conferencing to participate in the meetings.

**Details of Equity Shares of the Company held by the Directors as on the 31<sup>st</sup> March, 2025:**

S. No	Name	Designation	Number of equity shares
1.	Shri Jayant Davar	Chairman, Managing Director & Chief Executive Officer	3,30,56,928
2.	Smt. Archana Capoor	Non-Executive Independent Director	Nil
3.	Shri Vikrampati Singhania	Non-Executive Independent Director	Nil
4.	Shri Vimal Mahendru	Non-Executive Independent Director	Nil
5.	Shri Bharat Anand	Non-Executive Independent Director	Nil
6.	Shri Arjun Sharma	Non-Executive Independent Director	Nil
7.	Smt. Aabha Bakaya	Non-Executive Independent Director	Nil
8.	Shri Sandeep Dinodia	Non-Executive & Non - Independent Director	5,200
9.	Smt. Monica Davar	Non-Executive & Non- Independent Director	26,22,930
10.	Shri Neel Jay Davar	Non-Executive & Non- Independent Director	15,55,995

## CONVERTIBLE INSTRUMENT

The Company has not issued any convertible instruments during the year under review. Further, none of the Directors holds any convertible instruments.

## III. BOARD COMMITTEES

The Board has constituted various Committees which play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities delegated by the Board in accordance with applicable laws and terms of reference. Each Committee concentrates on specific areas, making well-informed decisions that benefit the Company's overall interests.

The Board has constituted the following seven committees' viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance & Strategy Committee and Share Transfer & Allotment Committee to carry out clearly defined roles as set out in the terms of reference.

The agenda for each committee meetings are finalized in consultation with the respective Chairperson of the Committee. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. During the financial year 2024-25, the Board has accepted all the recommendations of the Committees.

The Company Secretary acts as the Secretary for all the Committees. The Company Secretary adheres to the same laws and regulations for conducting the meeting of the Committees as applicable for the Board Meetings. Some of the Committees of the Board were reconstituted to align with the provisions of the Act, Listing Regulations and to meet the business requirements during the year under review. The terms of reference of the Board Committees are reviewed from time to time to align the same with the regulatory/business requirements.

### A. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting; adequacy & reliability of the Internal Control Systems. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor, the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the processes and controls including compliance with legal & regulatory requirements, Sandhar Code of Conduct for Insider Trading, Whistle Blower Policies and related cases thereto.

The Company Secretary acts as the Secretary to the Committee. The Internal Auditor functionally reports to the Audit Committee. The Chairman, Managing Director & Chief Executive Officer and Senior Management of the Company also attend the meetings as invitees.

The Audit Committee functions according to its terms of reference which defines its authority, responsibility and reporting functions, in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and is reviewed from time to time.

### a) Terms of Reference:

The Audit Committee was constituted at a meeting of the Board of Directors held on 31<sup>st</sup> May, 2010, and was subsequently reconstituted, on 21<sup>st</sup> February, 2018, 26<sup>th</sup> May, 2018, 19<sup>th</sup> December, 2018, 26<sup>th</sup> February 2021, 04<sup>th</sup> May, 2021 and 18<sup>th</sup> May, 2022. The Committee adopted new terms of reference in the Board Meeting held on 06<sup>th</sup> August, 2021. The scope and functions of the Audit Committee are in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations and inter-alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and the auditor's report thereon before submission to the board for approval, with particular reference to;
  - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;



7. Reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
  21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
  22. Review management discussion and analysis of financial condition and results of operations;
  23. Review statement of significant related party transactions (as defined by the audit committee), submitted by management;
  24. Review management letters / letters of internal control weaknesses issued by the statutory auditors;
  25. Review internal audit reports relating to internal control weaknesses;
  26. Review the appointment, removal and terms of remuneration of the chief internal auditor;
  27. Review statement of deviations;
  28. Review quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015;
  29. Review annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015;
  30. To review compliance with the provisions of Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively; and
  31. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The Audit Committee is required to meet at least four times in a financial year as per Regulation 18 of the Listing Regulations.
- The Chairperson of the Audit Committee is a Non-Executive Independent Director of the Company.

#### **b) Composition, Meetings & Attendance during the year**

As on the 31<sup>st</sup> March, 2025, the Audit Committee comprised of 4 members in compliance with the provisions of Section 149 of the Act and Regulation 18 of the Listing Regulations. Further, all members of the Committee are financially literate and have relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is higher.

During the year under review, 5 (Five) Audit Committee meetings were held and the time gap between any two meetings was less than 120 days.

The details of its composition and of the meetings held during the Financial Year 2024–2025 are as under:

S. No.	Quarter		I	II	III	IV		No. of total meetings attended
	Date of Meeting		23.05.2024	08.08.2024	11.11.2024	12.02.2025	17.03.2025	
	Member Name	Designation on Committee	(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	(Through VC)	(Physical)	
1	Smt. Archana Capoor	Chairperson	✓	✓	✓	LOA	✓	4
2	Shri Arvind Kapur <sup>i</sup>	Member	✓	NA	NA	NA	NA	1
3	Shri Vimal Mahendru <sup>i</sup>	Member	NA	✓	✓	✓	LOA	3
4	Smt. Aabha Bakaya <sup>ii</sup>	Member	NA	NA	✓	✓	✓	3
5	Shri. Sandeep Dinodia	Member	✓	✓	✓	✓	✓	5
<b>Total Committee Strength</b>			<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	
<b>Total Present</b>			<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	
<b>Absent</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	

**Notes:**

- The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the Audit Committee with incorporating following changes:
  - Shri Arvind Kapur (Non-Executive Independent Director) ceased to be a member of the Committee.
  - Shri Vimal Mahendru (Non-Executive Independent Director) was appointed as a member of the committee.
- The Board vide Circular resolution passed on 02<sup>nd</sup> October, 2024, has reconstituted the Audit Committee by appointing Smt. Aabha Bakaya as a member of the Committee.
- The necessary quorum was present for all the meetings.
- In addition to the members of the Audit Committee, these meetings were attended by Managing Director, Chief Financial Officer, Company Secretary, Compliance Officer, Statutory Auditor, Internal Auditor and/or their representatives, wherever necessary and by such executives of the Company as were considered necessary for providing inputs to the Committee.
- The Company Secretary acts as the Secretary to the Committee.  
Smt. Archana Capoor, Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Tuesday, 24<sup>th</sup> September, 2024.

**B. NOMINATION & REMUNERATION COMMITTEE ('NRC')**

The NRC of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

**a) Terms of Reference:**

The Nomination and Remuneration Committee was originally constituted as "Remuneration Committee" by a meeting of the Board of Directors held on 23<sup>rd</sup> July, 2005 and was subsequently reconstituted, on 21<sup>st</sup> February, 2018, 04<sup>th</sup> May, 2021, 16<sup>th</sup> September, 2021 and 10<sup>th</sup> November, 2022. Initially, the terms of reference were changed on 23<sup>rd</sup> May, 2014 and the Committee adopted new terms of reference in the Board Meeting held on the 13<sup>th</sup> August, 2019, inter-alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of the performance of independent directors, the board of directors, its committees and individual

directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

- Devising a policy on the diversity of the Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors;
- Recommend to the board, all remuneration, in whatever form, be payable to senior management;
- To develop a succession plan for the Board and to regularly review the plan; and
- Such other terms of reference as prescribed / defined under the Act and Listing Regulations from time to time.

## b) Composition, Meetings & Attendance during the year

The details of its composition and of the meetings held during the Financial Year 2024–2025 are as under

S. No.	Member Name	Designation on Committee	Meeting held in the Financial Year 2024–25		No. of total meetings attended
			22.05.2024	29.07.2024	
			(Through VC/Hybrid Mode)	(Through VC/Hybrid Mode)	
1.	Shri Vikrampati Singhania <sup>i</sup>	Chairperson	NA	✓	1
2.	Shri Vimal Mahendru <sup>i</sup>	Member	✓	NA	1
3.	Shri Arjun Sharma	Member	✓	✓	2
4.	Smt. Archana Capoor	Member	✓	✓	2
<b>Total Strength of Committee</b>			<b>3</b>	<b>3</b>	
<b>Total Present</b>			<b>3</b>	<b>3</b>	
<b>Absent/ Leave of Absence</b>			<b>0</b>	<b>0</b>	

### Notes:

- The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the Nomination & Remuneration Committee with incorporating following changes:
  - Shri Vimal Mahendru (Non-Executive Independent Director) ceased to be a member of the Committee.
  - Shri Vikrampati Singhania (Non-Executive Independent Director) was appointed as Chairperson and a member of the committee.
- The Board appointed Smt. Aabha Bakaya (DIN:05131734) as a Member of the Nomination & Remuneration Committee through a resolution passed by the Circulation dated 20<sup>th</sup> June, 2025.
- The necessary quorum was present for all the meetings.  
Shri Vikrampati Singhania, Chairperson of the Nomination & Remuneration Committee was present at the Annual General Meeting of the Company held on Tuesday, 24<sup>th</sup> September, 2024.

### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee establishes the criteria for evaluating the performance of Independent Directors. The assessment covers various factors, such as the director's level of participation and contribution, commitment, effective utilisation of knowledge and expertise, integrity, maintenance of confidentiality, as well as independence in behavior and decision making.

As per the Company's policy on performance evaluation, the Company Secretary circulated the questionnaire to all the Directors for performance evaluation of the Board, its committees and Individual Directors for the F.Y.2024–2025

On the basis of feedback received, the Chairman briefed the Board about the performance evaluation of the Board, its committees and Individual Directors for the F.Y.2024–25.

### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE ('SRC')

The SRC functions in accordance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations, to look into the redressal of grievances of shareholders and other security holders, if any.

#### a) Terms of Reference

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on 3<sup>rd</sup> September, 2015. The Committee was reconstituted by the Board at its meeting held on 29<sup>th</sup> March, 2018 and was subsequently reconstituted, on 11<sup>th</sup> May, 2020. The terms of reference of the Stakeholders' Relationship Committee, inter alia, includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring the timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time; and
- Oversee the performance of the registrars and share transfer agents of the Company. Recommend measures for overall improvement in the quality of investor services and to monitor the implementation and compliance of the code of conduct for the prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and other related matters as assigned by the board of directors. To carry out any other function as prescribed under the Listing Regulations or as may be delegated by the Board of Directors.

**b) Composition, Meetings & Attendance during the year**

The details of its composition and of the meetings held during the Financial Year 2024–2025 are as under:

S. No.	Member Name	Designation	Meeting held in the Financial Year 2024–2025	No. of total meetings attended
			17.03.2025	
			(Physical)	
1.	Shri Arjun Sharma	Chairperson	√	1
2.	Shri Jayant Davar	Member	√	1
3.	Shri Arvind Kapur <sup>i</sup>	Member	NA	NA
4.	Shri Vimal Mahendru <sup>i</sup>	Member	LOA	0
5.	Smt. Aabha Bakaya <sup>ii</sup>	Member	√	1
<b>Total Strength of Committee</b>			<b>4</b>	
<b>Total Present</b>			<b>3</b>	
<b>Absent/Leave of Absence</b>			<b>1</b>	

**Notes:**

- (i) The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the Stakeholder's Relationship Committee with incorporating following changes:
  - a) Shri Arvind Kapur (Non-Executive Independent Director) ceased to be a member of the Committee.
  - b) Shri Vimal Mahendru (Non-Executive Independent Director) was appointed as member of the committee.
- (ii) The Board vide Circular resolution passed on 02<sup>nd</sup> October, 2024, has appointed Smt. Aabha Bakaya, as member of the Committee.
- (iii) The necessary quorum was present for the meeting.

Shri Arjun Sharma, Chairperson of the Stakeholders' Relationship Committee was present at the Annual General Meeting of the Company held on Tuesday, 24<sup>th</sup> September, 2024.

**c) Name and Designation of Compliance Officer**

The Compliance Officer monitors the email address for grievance redressal division i.e. [investors@sandhar.in](mailto:investors@sandhar.in) designated for the purpose of registering complaints by investors.

Shri Gulshan Ahuja (ICSI Membership No. A58924), is the Deputy Company Secretary & Compliance Officer of the Company.

Shareholders may also contact the Registrar & Share Transfer Agent of the Company for matters relating to transfer of shares, payment of dividends, IEPF Query or any other query relating to Equity Shares of your Company.

**Number of investor complaints received and redressed during the year 2024–25**

No. of Investor/ Shareholders complaints pending at the beginning of the Financial Year 2024–25	No. of Investor/Shareholders complaints received during the Financial Year 2024–25	No. of Investor complaints not solved to the satisfaction of shareholders during the Financial Year 2024–25	No. of Investor complaints pending at the end of the Financial Year 2024–25
NIL	NIL	NIL	NIL

#### D. RISK MANAGEMENT COMMITTEE ('RMC')

The RMC is constituted and functions in accordance with Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations to frame, implement and monitor the risk management plan for the Company. The terms of reference of the RMC, inter alia, includes the following:

##### a) Terms of Reference:

1. To formulate a detailed risk management policy which shall include the:
  - A framework for the Identification of internal and external risks specifically faced by the Company, in particular including the financial, operational, technological, sectoral, sustainability, information technology, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for Risk Mitigation including Systems and processes for internal control of identified Risk.
  - Business Continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risk associated with the business of the Company;
3. To monitor and oversee the implementation of Risk Management Policy including evaluating the adequacy of risk management systems;
4. To periodically review the Risk Management Policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Such other aspects as the Board may consider appropriate and required from the Committee from time to time; and
7. The Risk Management Committee shall co-ordinate its activities with other Committee, as per the framework laid down by the Board of Directors.

##### b) Composition Meetings & Attendance during the year

The details of its composition and the meetings held during the Financial Year 2024–2025 are as under:

S. No	Member Name	Designation on Committee	Meeting held in the Financial Year 2024–2025		No. of total meetings attended
			01.05.2024	11.11.2024	
			(Physical)	(Through VC)	
1.	Late Shri Dharmendar Nath Davar <sup>i</sup>	Chairperson <sup>i</sup>	√	NA	1
2.	Shri Sandeep Dinodia <sup>ii</sup>	Chairperson <sup>ii</sup>	LOA	√	1
3.	Shri Arvind Kapur <sup>ii</sup>	Member	√	NA	1
4.	Shri Vimal Mahendru	Member	NA	√	1
5.	Smt. Aabha Bakaya <sup>iv</sup>	Member	NA	√	1
6.	Smt. Monica Davar	Member	√	√	2
Total Strength of the Committee			4	4	
Total Present			3	4	
Absent			1	0	

Notes:

- (i) Late Shri. Dharmendar Nath Davar (Non-Executive & Non-Independent Director) ceased to be Chairperson & member of the committee, on account of his resignation from the Board w.e.f 23<sup>rd</sup> May, 2024 due to his health condition.
- (ii) The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted RMC with incorporating following changes:
  - a) Shri Arvind Kapur (Non-Executive Independent Director) ceased to be a member of the Committee.
  - b) Shri Sandeep Dinodia (Non-Executive & Non-Independent Director) was appointed as Chairperson of the committee.
  - c) Shri Arjun Sharma (Non-Executive Independent Director) was appointed as a member of the committee.
- (iii) Shri Arjun Sharma (Non-Executive Independent Director) resigned from the committee due to procedural changes and busy schedule. Subsequently, on 21<sup>st</sup> June, 2024, the Board reconstituted the Committee through a circular resolution, appointing Shri Vimal Mahendru (Non-Executive Independent Director), as a new member of the Committee.
- (iv) The Board vide Circulation passed on 02<sup>nd</sup> October, 2024 has appointed Smt. Aabha Bakaya, as a member of the Committee.
- (v) The necessary quorum was present for the meeting.



## E. SENIOR MANAGEMENT

Details of Senior Management Personnel (including changes therein) as on 31<sup>st</sup> March, 2025 as defined under Regulation, 16(1)(d) of the Listing Regulations are as follow;

S. No.	Name	Designation
1.	Shri. Yashpal Jain	Chief Financial Officer and Company Secretary
2.	Shri. Gurvinder Jeet Singh*	Senior Advisor & Chief Operating Officer- Automotive Business
3.	Shri Niraj Hans	Chief Operating Officer-Sheet Metal & Allied Business
4.	Shri Ajay Kumar Raghav	Chief Operating Officer- Castings and Tooling Business
5.	Shri S. Venkataraman	Chief Operating Officer- Cabins and Fabrication Division
6.	Shri Gulshan Ahuja	Deputy Company Secretary and Compliance Officer

\* Shri Gurvinder Jeet Singh, appointed as Whole-time Director on the Board of the Company w.e.f., 22<sup>nd</sup> May, 2025.

## F. OTHER COMMITTEES

### (A) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with the requirements of Section 135 of the Act, the Board has constituted a Corporate Social Responsibility Committee to assist the Board in setting the Company's Corporate Social Responsibility Policy and assessing its Corporate Social Responsibility performance.

#### (a) Terms of Reference

The Corporate Social Responsibility Committee was constituted by the Board on 14<sup>th</sup> March, 2013. The composition was altered by a circular resolution on 21<sup>st</sup> February, 2018 and again reconstituted on 11<sup>th</sup> December, 2018. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Act. The terms and reference of the Corporate Social Responsibility Committee, inter-alia, includes the following:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as per the Act;
2. Formulate and recommend to the company's Board, an annual action plan in pursuance of its CSR policy, which shall include the following:

- i. The list of CSR projects or programmes that are approved to be undertaken;
  - ii. The manner of execution of such projects or programmes;
  - iii. The modalities of utilization of funds and implementation schedules for the projects or programmes;
  - iv. Monitoring and reporting mechanism for the projects or programmes; and
  - v. Details of need and impact assessment, if any, for the projects undertaken by the company
3. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
  4. Monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time; and
  5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as directed by the Board of Directors from time to time.

#### (b) Composition

The details of its composition and of the meetings held during the Financial Year 2024-2025 are as under:

S. No.	Member Name	Designation	Meeting held in the Financial Year 2024-2025			No. of total meetings attended
			17.05.2024	20.11.2024	10.03.2025	
1.	Shri Jayant Davar	Chairperson	LOA	✓	✓	2
2.	Smt. Monica Davar	Member	✓	✓	✓	3
3.	Shri Arvind Kapur <sup>1</sup>	Member	✓	NA	NA	1
4.	Shri. Vikrampati Singhania <sup>1</sup>	Member	NA	✓	✓	2
<b>Total Strength of Committee</b>			<b>3</b>	<b>3</b>	<b>3</b>	
<b>Total Present</b>			<b>2</b>	<b>3</b>	<b>3</b>	
<b>Absent</b>			<b>1</b>	<b>0</b>	<b>0</b>	

Notes:

- (i) The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the CSR Committee with incorporating following changes:
  - a) Shri Arvind Kapur (Non-Executive Independent Director) ceased to be member of the Committee.
  - b) Shri Vikrampati Singhania (Non-Executive Independent Director) was appointed as member of the committee.
- (ii) The necessary quorum was present for the meeting.

## **(B) FINANCE AND STRATEGY COMMITTEE :**

On 2<sup>nd</sup> February 2019, the Board established a Finance Committee, which was subsequently reconstituted and its terms revised on 11<sup>th</sup> May, 2020, 6<sup>th</sup> November, 2020, 4<sup>th</sup> May, 2021, and 10<sup>th</sup> November, 2022, to reflect evolving responsibilities delegated by the Board. On 25<sup>th</sup> May, 2023, the Board both renamed this body the Finance and Strategy Committee and reconstituted it with updated terms. The Committee was further reconstituted and its mandate refined on 31<sup>st</sup> May, 2024, 8<sup>th</sup> August, 2024, and 2<sup>nd</sup> October, 2024, ensuring its composition and authority remain fully aligned with the Board's strategic and financial oversight objectives going forward. The terms of reference of the Committee include the following:

### **a) Terms of Reference:**

- 1) Review, no less than annually, the Company's strategic plans and financial strategies and make recommendations to the Board in respect thereof;
- 2) Review & undertake decisions regarding the Company's cash flow, capital expenditures and financing requirements;
- 3) Review and make recommendations to the Board regarding the Company's scope and mix of business, acquisition and merger opportunities, the purchase of business assets and financing thereof;
- 4) Review the Company's policies with respect to financial risk assessment and management including investment strategies and guidelines;
- 5) Annually review the scope, cost and basic terms of the Company's insured risk management programs including general liability, D&O and other Insurance Policies;
- 6) Review & undertake the Company's foreign exchange & commodities risk management and exposure;
- 7) Review periodically the scope of this Committee and make recommendations to the Board regarding any changes thereto;
- 8) Take such other actions as the Committee, from time to time, may determine are necessary to fulfill its duties or are otherwise required by applicable laws, the Company's charter or the Byelaws or the Board;
- 9) To borrow money for the purpose of the Company's business not exceeding the overall limit up to which the Board of Directors of the Company are authorized / to be authorized under Section 180 of the Act;
- 10) To review and accept the sanction of various funding facilities sanctioned by Banks/Lenders and to open Current / Cash Credit / Overdraft / Fixed Deposit and other accounts with any Scheduled Bank and authorize its Officials to operate the same and vary, amend and modify the existing authorization to operate accounts of the Company with its Bankers and to issue instructions for closure of its operated accounts;
- 11) To authorize one or more Directors/Officers of the Company to execute and sign the documents with Banks in relation to any Loan or Credit Facility availed of or to be availed;
- 12) To authorize and appoint any Attorney(ies), Agent(s), Representative(s) of the Company to represent the interest of the Company in the manner and to the extent of the Powers/ Authorities as may be given, matters handled/ to be handled by him;
- 13) To approve making requests to other Associate Company(ies) to give a Guarantee or provide Security in connection with a loan made or to be made to the Company by any Bank, Financial Institution, Company(ies) or any other person;
- 14) To give a Guarantee or provide Security for loans sanctioned to other Company(ies) by Banks/ Financial Institutions, provided the aggregate amount for which the Guarantee is given or the Security provided does not exceed the limit prescribed by law and also sanctioned by the Shareholders in General Meeting, if any;
- 15) To make inter-corporate loans or deposits provided that the aggregate amount of loans shall not exceed the Limits laid down in Section 186 of the Act, also keeping in view the Provisions of Section 180 of the said Act;
- 16) To make investments in shares, debentures, bonds of Companies and fixed deposits with Banks, Companies and Corporates etc. subject to the Provisions of Section 186 of the Act provided that the aggregate of all such investments outstanding at any time shall not exceed the total limit laid down in the aforesaid Section;
- 17) To authorise one or more Directors/ Officers of the Company to (i) negotiate, execute and sign the necessary documents; and (ii) make necessary filings with regulatory/ governmental authorities (including registering of or filing of relevant documents with a quasi-regulatory/ regulatory /governmental authority), in relation to any guarantee or security to be provided by the Company to secure a loan availed by other Company (ies);
- 18) To authorise one or more Directors/ Officers of the Company to sign, execute all Commercial Agreements, Technical Collaboration Agreements, Contracts, Memorandum of Understandings, Letter of Intents, Purchase Agreements, Undertakings, Applications, Forms and all other Agreements/Documents, by whatever name called, as and when required;
- 19) To take up the matters of immediate importance in order to have operational and administrative convenience;
- 20) To authorize investments in the shares of any Company, Body Corporate, Joint Venture, or Subsidiary, either through equity, debt investment, convertible securities, preferred

stock, venture capital or private equity, strategic investment, or any other forms as agreed upon by the committee members collectively. This includes decisions regarding the extent and manner of investments, ensuring mutual consensus among committee members for strategic financial decisions;

21) The authority to sell, lease, or otherwise dispose of assets, undertakings or entire business units, including divest shares held in joint ventures or subsidiaries, within the limits prescribed by Section 180(1)(a) of the Companies Act, 2013.

## b) Composition

The details of its composition and of the meetings held during the Financial Year 2024–2025 are as under

S. No	Member Name	Designation on Committee	Meeting held in the Financial Year 2024–2025			No. of total meetings attended
			29.07.2024	27.11.2024	26.03.2025	
1.	Shri Jayant Davar <sup>i</sup>	Chairperson	✓	✓	✓	3
2.	Shri. Vikrampati Singhania <sup>i</sup>	Member	✓	LOA	✓	2
3.	Shri Vimal Mahendru	Member	✓	✓	✓	3
4.	Smt. Monica Davar	Member	LOA	✓	LOA	1
5.	Smt. Aabha Bakaya <sup>ii</sup>	Member	NA	✓	✓	2
<b>Total Strength of the Committee</b>			<b>4</b>	<b>5</b>	<b>5</b>	
<b>Total Present</b>			<b>3</b>	<b>4</b>	<b>4</b>	
<b>Absent/ Leave of Absence</b>			<b>1</b>	<b>1</b>	<b>1</b>	

Notes:

- The Board vide Circular resolution passed on 31<sup>st</sup> May, 2024, has reconstituted the Finance & Strategy Committee with incorporating following changes:
  - Shri Jayant Davar (Chairman, Managing Director & CEO) was appointed as the Chairperson of the Committee.
  - Shri Vikrampati Singhania (Non-Executive Independent Director) was appointed as a member of the Committee.
  - Shri Arvind Kapur (Non-Executive Independent Director) ceased to be a member of the Committee
- The Board vide Circular resolution dated 02<sup>nd</sup> October, 2024 appointed Smt. Aabha Bakaya as a member of the Committee.
- The necessary quorum was present for the meeting.

## (C) SHARE TRANSFER & ALLOTMENT COMMITTEE:

As on the 31<sup>st</sup> March, 2025, the Committee comprised the following directors as members:

S. No	Member Name	Designation on Committee
1	Shri Jayant Davar	Chairperson
2	Smt. Archana Capoor	Member
3	Shri Vimal Mahendru	Member

There being no such business requiring Committee(s) deliberation and approval, the Committee did not convene any meeting during the financial year 2024–2025.

## IV. REMUNERATION POLICY OF DIRECTORS

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with industry practices and rewards the good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a Remuneration Policy which is uploaded on the website of the Company at [https://sandhargroup.com/uploads/Investor/nomination-and-remuneration-policy\\_17032025.pdf](https://sandhargroup.com/uploads/Investor/nomination-and-remuneration-policy_17032025.pdf)

### A. Remuneration of Executive Directors

The remuneration paid to the Executive Director is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by him and is in accordance with the terms of appointment approved by the Members.

The remuneration of the Executive Director is determined by the Nomination and Remuneration Committee ("NRC"), which reviews and recommends any changes—such as increments in basic salary—to the Board. In recommending remuneration, the NRC takes into account:

- Function, role and responsibilities assigned
- Benchmarking against peers in the same or similar industry
- Industry benchmarking
- Past performance and contribution to long term strategic objectives

On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/ payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Director within the limits prescribed under the Act is approved by the Board and by the Members in the General Meeting.

The Executive Director is not being paid sitting fees for attending meetings of the Board and its Committee.

**B. Remuneration of Non-Executive Directors/ Criteria for making payment to Non- Executive Directors**

**(i) Sitting Fees & Reimbursement of Expenses**

The sitting fees is paid to Non-Executive Directors of the Company for attending each meeting of the Board of Directors or any committee thereof as approved by the Board, within the permissible limit prescribed under the Act, Listing Regulations and other regulatory/statutory guidelines, as amended from time to time. Any change in sitting fees shall be recommended by the NRC and approved by the Board of Directors of the Company. The NRC considers the following factors while recommending a change in the sitting fees to the Board:

1. Contribution expected from Directors considering the size and complexity of the organization,
  2. Comparison with the peers in the identical/ similar industry/benchmarking,
  3. Regulatory guidelines as applicable, etc.
- The Non-Executive Directors are entitled to reimbursement of expenses for participation in the meeting of the Board and Committees thereof.

The Board while approving the revision in the sitting fees payable to Directors for attending the meeting of the Board and Committees thereof, considers the recommendation of the NRC. Sitting fees of INR 50,000/- (Indian Rupee Fifty Thousand Only) is paid to Non-Executive Directors for attending the meeting of the Board & Independent Directors Meeting. A sitting fee of INR 35,000/- (Indian Rupee Thirty-Five Thousand Only) is paid to members for attending meetings of the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee, and INR 20,000/- (Indian Rupee Twenty Thousand Only) for attending meetings of the Stakeholders' Relationship Committee (excluding Executive Director).

Sitting fees paid/payable to the Non Whole-time Directors are excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act.

**(ii) Payment of Profit-based Commission to Non-Executive Directors**

The members at the Annual General Meeting held on 24<sup>th</sup> September, 2024 approved the payment of Commission of INR 3,00,000/- (Indian Rupee Three Lakhs only), to the eligible Non-Executive Directors not exceeding 1% (One Percent) of the Net Profit of the Company or within the such limits as prescribed in the Act for the period of five years commencing from the financial year 2024-25 upto and including financial year 2028-29.

**(iii) Pecuniary transactions with Non-Executive Directors**

During the year under review, there were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company except for payment of sitting fees/ commission. The company maintains the register of Contracts under Section 189 of the Act and the same is placed before the Board for approval from time to time.

**(iv) Stock Option Details**

The Company has no stock option plans for the directors and hence, it does not form part of the remuneration package payable to any Executive and/or Non-Executive Director. During the year, the Company did not advance any loan to any of the executive and/or non-executive directors during 2024-25.

**(v) Service Contracts, Notice Period and Severance Fees**

As on 31<sup>st</sup> March 2025, the Board comprise ten members, including one Executive Director and nine Non-Executive Directors, of which six are Independent Directors. Shri Jayant Davar Chairman, Managing Director and Chief Executive Officer being the employee of the Company, is subject to the provision for payment of severance fees as per the Company's policy. However, other Directors are not subject to any notice period or severance fees.

#### (vi) Remuneration to Directors

The details of remuneration, sitting fees, performance bonus and/or commission paid to each of the Directors during the year ended on the 31<sup>st</sup> March, 2025 are given below:-

(In Rs.)

S. No.	Name of the Director	Salary and Perquisites			Others		
		Fixed Pay & Bonus	Perquisite	Retirement Benefits	Sitting Fees	Commission	No. of Share held
1	Shri Dharmendar Nath Davar	-	-	-	35,000	-	-
2	Shri Jayant Davar	1,34,40,000	9,10,800	-	-	7,41,17,810	3,30,56,928
3	Smt. Monica Davar	-	-	-	3,20,000	3,00,000	26,22,930
4	Shri Neel Jay Davar	-	-	-	2,00,000	3,00,000	15,55,995
5	Shri Sandeep Dinodia	-	-	-	4,60,000	3,00,000	5,200
6	Shri Arjun Sharma	-	-	-	3,90,000	3,00,000	-
7	Shri Arvind Kapur	-	-	-	1,20,000	3,00,000	-
8	Shri Vikrampati Singhania	-	-	-	2,35,000	3,00,000	-
9	Smt. Archana Capoor	-	-	-	4,60,000	3,00,000	-
10	Shri Vimal Mahendru	-	-	-	3,75,000	3,00,000	-
11	Shri Bharat Anand	-	-	-	2,50,000	3,00,000	-
12	Smt. Aabha Bakaya	-	-	-	4,10,000	2,25,000	-

Notes:

i. Perquisite valued as per the Income Tax Act, 1961.

#### V. INFORMATION SUPPLIED/AVAILABLE TO THE BOARD

The Directors are presented with important/critical information on the operations of the Company as well as that which requires deliberations at the highest level. The Board has complete access to all the relevant information within the Company and also access to the senior management of the Company and any additional information, to make timely informed decisions. All Board and Committee meetings are governed by a structured agenda notes which are backed by comprehensive background along with relevant annexures.

The Board was presented with the information on various important matters of operations, risk management and business, new initiatives in business, budgets, financial results, update on Corporate Social Responsibility activities, minutes of Board and Committees of the Board, appointment and remuneration of the senior management, appointment/cessation of Key Managerial Personnel, details of joint ventures or collaborations, if any, information on subsidiaries, sale of investments, assets

which are material in nature and not in the normal course of business, foreign exposure and non-compliance, if any with regulatory or statutory guidelines or in the Listing Regulations, etc., and other matters which are required to be placed before the Board in terms of the Act, Listing Regulations and other applicable statutes. The Board and other Committees also approve various business proposals and regulatory approvals through circulations as and when required.

#### VI. POST MEETING COMMUNICATION / FOLLOW-UP SYSTEM

The Company has an effective post meeting follow-up procedure. The Company has a mechanism to track important decisions taken at the Board/Committee meetings till the closure of such decisions and an Action Taken Report on the decisions taken in a meeting is placed at the succeeding meeting(s) of the Board/ Board Level Committees.



## VII. GENERAL BODY MEETINGS

### (a) Location and time, where the last three Annual General Meetings were held

AGM	Date and time of AGM	Details of special resolution(s) passed at the AGMs, if any	Venue
30 <sup>th</sup>	22 <sup>nd</sup> September, 2022 at 11:30 A.M.	None	
31 <sup>st</sup>	21 <sup>st</sup> September, 2023 at 11:30 A.M.	<ol style="list-style-type: none"> <li>1. Appointment of Shri Vikrampati Singhania as an Independent Director</li> <li>2. Re-appointment of Smt. Archana Capoor as an Independent Director</li> <li>3. Re-appointment of Shri Bharat Anand as an Independent Director</li> <li>4. To Approve the variation, if any, in the remuneration of Shri Jayant Davar (DIN: 00100801), Co-Chairman and Managing Director of the Company in compliance with the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</li> </ol>	<p>Meeting were held through Video conferencing.</p> <p>(Deemed Venue Registered Office of the Company)</p>
32 <sup>nd</sup>	24 <sup>th</sup> September, 2024 at 11:30 A.M.	<ol style="list-style-type: none"> <li>1. Appointment of Smt. Aabha Bakaya as an Independent Director</li> <li>2. Re-appointment of Shri Vimal Mahendru as an Independent Director</li> </ol>	

### b) Extraordinary General Meetings ("EGM")

No EGM of the members was held during the Financial Year 2024-25.

### c) Details of special resolution passed through Postal Ballot during 2024-25:

During the Financial Year 2024-25, no resolution was passed through postal ballot.

Further, as on the date of this report, no special resolution is proposed to be conducted through postal ballot.

### d) Details of the Special Resolution proposed to be conducted through Postal Ballot

During the year under review, no Postal Ballot resolution was passed by the Company. However, after the end of the financial year the Board at its meeting held on 22<sup>nd</sup> May, 2025 has approved the postal ballot notice to seek the members' consent by way of special resolution for the following matters;

#### Resolution and Type

- a) Appointment/ Re-designation of Shri Sandeep Dinodia (DIN : 00005395) as Non - Executive Independent Director of the Company (Special Resolution)
- b) Appointment of Shri. Gurvinder Jeet Singh (DIN: 02129467) as a Whole-Time Director (Executive - Non-Independent Director) designated as Whole-time Director & Head -Corporate Strategy of the Company. (Special Resolution)

#### Brief Details of the Postal Ballot Notice

Date of Postal Ballot Notice	: 22 <sup>nd</sup> May, 2025
Voting Period	: 28 <sup>th</sup> May, 2025 to 26 <sup>th</sup> June, 2025
Date of Passing of Resolution	: 26 <sup>th</sup> June, 2025
Date of Declaration of Results	: 27 <sup>th</sup> June, 2025
Weblink	: <a href="#">Notice</a>
	: <a href="#">Outcome</a>

### Procedure of Postal Ballot

The Company dispatched Postal Ballot Notice along with Explanatory statement and relevant annexures through e-mail on Tuesday, 27<sup>th</sup> May, 2025 to its Members, whose names appeared in the Register of Members as on Friday, 16<sup>th</sup> May, 2025 ('cut-off date') and whose e-mail Ids were registered with the Company/ the Depositories Registrar and Share Transfer Agent.

The Company had published an advertisement on Wednesday, 28<sup>th</sup> May, 2025 regarding the service of Postal Ballot Notice to eligible members in all editions of Business Standard (English) and Business Standard (Hindi).

As per relaxation given by the Ministry of Corporate Affairs through its various General circulars issued from time to time, the Members of the Company were given an option to vote through electronic means only (remote e-voting).

Shri KK Sachdeva (FCS No. 7153, C.P. No.: 4721), of M/s. KK Sachdeva & Associates, Practising Company Secretaries, was appointed as 'Scrutinizer' to scrutinise the Postal Ballot process in a fair and transparent manner.

The E-voting facility was provided by InstaVote through its e-voting platform at <https://instavote.linkintime.co.in/>

## VIII. MEANS OF COMMUNICATION

The Company recognizes the importance of communication with Shareholders and promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of our Company's corporate governance framework. Further, Company uses several modes for communicating with its external stakeholders, such as announcements, press releases and other reports to the members, posting information on its website (<https://sandhargroup.com/>), intimation to the Stock Exchanges, responding to analysts' queries etc.

- a) **Quarterly Results:** The Company's quarterly results for the financial year 2024–25 were published in Business Standard.

S. No.	For the Quarter Ending	Date of Publication	Name of Newspaper Publication (English)	Name of Newspaper Publication (Hindi Vernacular)
1	31 <sup>st</sup> March, 2024	24 <sup>th</sup> May, 2024	Business Standard	Business Standard
2	30 <sup>th</sup> June, 2024	09 <sup>th</sup> August, 2024	Business Standard	Business Standard
3	30 <sup>th</sup> September, 2024	12 <sup>th</sup> November, 2024	Business Standard	Business Standard
4	31 <sup>st</sup> December, 2024	13 <sup>th</sup> February, 2025	Business Standard	Business Standard

The aforesaid results were also uploaded at the Company's website at <https://sandhargroup.com/investors/investors>

- b) **News Release and Presentations:** Official news releases are sent to stock exchanges and simultaneously displayed on the Company's website [www.sandhargroup.com](http://www.sandhargroup.com)
- c) **Presentations to Investors / Analysts:** The presentations on the Company's unaudited quarterly as well as audited annual financial results are made to the investors and financial analysts and simultaneously uploaded on the Company's website [www.sandhargroup.com](http://www.sandhargroup.com)
- d) **Website :** The Company's website [www.sandhargroup.com](http://www.sandhargroup.com) contains a separate dedicated section "Investor relations" which enables stakeholders to be informed and allows them to access information at their convenience. Up-to-date financial results, annual reports, shareholding pattern, official press releases, the investor/ analysts presentations, details of investor calls and meets, shareholding pattern, important announcements.
- e) **Annual Report:** Annual Report containing inter alia Audited Financial Statements, Director's Report, Auditors Report, Corporate Governance Report, is circulated to the members and others entitled thereto and is also available on the website of the Company.
- f) **Electronic filing with Stock Exchanges:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filled electronically on NEAPS/ Digital Exchange for NSE and on BSE Listing Centre for BSE.

## IX. GENERAL SHAREHOLDERS INFORMATION

### (a) 33rd Annual General Meeting (AGM)

Day and Date	: Friday, 19 <sup>th</sup> September 2025
Time	: 11:30 AM
Venue	: Video conferencing (VC) / Other Audio Visual Means (OAVM)

### (b) Financial Year: 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025

### (c) Dividend Payment Date

The Dividend if declared, shall be paid by the Company within 30 days from the date of declaration of the dividend. Expected on or before 18<sup>th</sup> October, 2025.

### (d) Listing on Stock Exchanges:

The Company equity shares are at present listed at the following Stock Exchanges and the Listing fees for the financial year 2025–26 has been duly paid to the Stock Exchanges:

S. No	Name	Address
1	BSE Limited	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
2	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051

**Further securities of the Company have not been suspended from trading during the year.**

### (e) Dematerialization of shares and liquidity;

As on 31<sup>st</sup> March, 2025, 100% of the total equity shares were held in dematerialised form. The Company's shares are actively traded on the stock exchange.

### (f) Share Transfer Agent;

The Company vide Agreement dated 02<sup>nd</sup> April, 2018 has appointed the following agency to act as its Registrar and Share Transfer Agent ("RTA"). The RTA is, inter alia, responsible for processing requests pertaining to share transmission/ dematerialization/ re-materialization and other activities related thereto for both electronic and physical shareholdings. Further, RTA also handles corporate actions such as data requirements for conduct of the AGMs, dividends etc. The RTA corresponds with the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in this regard.

M/s. MUFG Intime India Private Limited  
(Formerly known as Link Intime India Private Limited)  
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083  
Tel No: +91 22 49186000  
Fax: +91 22 49186060

### (g) Name and Designation of Compliance Officer:

Shri. Gulshan Ahuja, Deputy Company Secretary & Compliance Officer  
Plot No. 13, Sector 44, Gurgaon - 122001 Haryana - India  
Tel No: 0124-4518900; Fax No: 0124-4518912  
Email: [cs@sandhar.in](mailto:cs@sandhar.in)

**(h) Dispute Resolution Mechanism (SMART ODR)**

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and / or registrars & transfer agents and its shareholder(s) / investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated 30<sup>th</sup> May, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated 31<sup>st</sup> July, 2023

(updated as on 20<sup>th</sup> December, 2023), introduced the Online Dispute Resolution (ODR) Portal.

Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company [https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed\\_file.pdf](https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed_file.pdf)

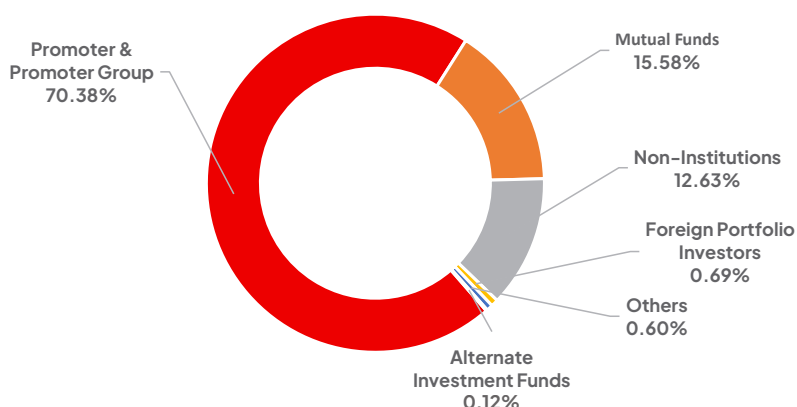
**(i) Distribution of Shareholding**

The below two tables provide details about the pattern of shareholding among various categories and the number of shares held, as on the 31<sup>st</sup> March, 2025:

Category Distribution:

Categories	As of 31 <sup>st</sup> March, 2025	
	No. of Shares	Percentage
Promoter & Promoter Group	42362245	70.38%
Mutual Funds	9379711	15.58%
Alternate Investment Funds	71090	0.12%
Foreign Portfolio Investors	413604	0.69%
Non-Institutions	7355460	12.63%
Others	608598	0.60%

**Distribution of Shareholding as on the 31st March, 2025:**



**Distribution of Shareholding as on the 31st March, 2025:**

Distribution Of Shareholding (Shares)							
S. No	Shareholding of Shares			Shareholder	Percentage (%) of Total	Share	Percentage (%) of Total
1	1	To	500	39155	94.3380	2694493	4.4766
2	501	To	1000	1294	3.1177	990543	1.6457
3	1001	To	2000	561	1.3516	833528	1.3848
4	2001	To	3000	177	0.4265	450326	0.7482
5	3001	To	4000	75	0.1807	265266	0.4407
6	4001	To	5000	58	0.1397	271005	0.4502
7	5001	To	10000	91	0.2193	675322	1.1220
8	10001	To	ABOVE	94	0.2265	54010225	89.7318
			Total	41505	100	60190708	100

**(j) Share Transfer System:**

As on the 31<sup>st</sup> March, 2025, 100% of the equity shares of the Company were in dematerialised form. Transfer of the equity shares held in dematerialised form are done through the depositories with no involvement of the Company.

**(k) Outstanding Convertible Instruments/ADRs/GDRs/Warrants:**

The Company has not issued any convertible instruments/ ADRs/ GDRs/ Warrants.

**(l) Reconciliation of Share Capital Audit Report**

In terms of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited

("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat requests were confirmed within the stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

**(m) Plant locations:**

In view of the nature of the Company's business, the Company operates from various plants/units of the Company, its Subsidiaries and Joint Ventures located in India and abroad.

**A. Plants of the Company**

S. No.	Name of Unit	Location
1	Sandhar Technologies Limited (HR) - Unit-I	Plot No. 3 & 4 Sector-18, HSIDC Indl. Area, Gurgaon Haryana-122015
2	Sandhar Technologies Limited (HR) - Unit-II	Village Dhumaspur, PO Badshahpur, Distt. Gurgaon Haryana-122102
3	Sandhar Technologies Limited (HR) - Unit-III	Village & P O Khandsa, Behrampur Road, Gurgaon Haryana - 122004
4	Sandhar Technologies Limited (HR) - Unit-IV	Plot No 24 & 25, Sector 3, IMT Manesar, Gurgaon Haryana - 122052
5	Sandhar Technologies Limited (HR) - Unit-V	Plot No-14, Sector-5, Industrial Estate, Growth Centre, Phase-II Bawal, Rewari Haryana -123501
6	Sandhar Technologies Limited (HR) - Unit-VI	Plot No-13, Sector-5, Industrial Estate, Growth Centre, Phase-II Bawal, Rewari Haryana -123501
7	Sandhar Technologies Limited (KA) - Unit-I	Plot No. 8, Bommasandra, Jigani Link Road, Bommasandra, Anekal Taluk, Bangalore Karnataka -562106.
8	Sandhar Technologies Limited (KA) - Unit-II	Plot No 7A, KIADB Industrial Area, Attibele, Anekal Taluk, Bangalore, Karnataka - 562107
9	Sandhar Technologies Limited (KA) - Unit-III	Plot No. 12-C & 13A, KIADB Industrial Area, Attibele, Anekal Taluk, Bangalore, Karnataka - 562107
10	Sandhar Technologies Limited (KA) - Unit-IV	Survey No. 240/2, 242/1 & 242/2 Dasanapura Village, Ballur, Anekal Taluk, Bangalore, Urban Karnataka-562107
11	Sandhar Technologies Limited (KA) - Unit-V	46A, 3rd Main 2nd Phase, Peenya Industrial Area, Bangalore Urban, Karnataka-560058
12	Sandhar Technologies Limited (TN) - Unit-I	Plot No. 758/B2, Old Anekal Road, Poonapalli Village, Hosur Taluk, Krishnagiri, Tamil Nadu- 635114
13	Sandhar Technologies Limited (TN) - Unit-II	Plot No.B-2, SIPCOT Industrial Growth Centre, Mattur Post Oragadam, Sriperumpudur (TK), Kanchipuram Tamil Nadu - 620105
14	Sandhar Technologies Limited (TN) - Unit-III	S. No. 450/1A2, 451/1D3A, 1G1, 1K1, 1L1A, & 1L4A, Panruti 'B' Village, Sriperumpudur taluk, Kancheepuram District (TN)-631604
15	Sandhar Technologies Limited (TN) - Unit-IV	No.586/1,586/2,586/3,587/1B1,587/1B2A,587/1B3,587/1B2B,Taluk Kanchipuram, Singadivakkam, 631561.
16	Sandhar Technologies Limited (MH) - Unit-I	Gate No. 418, Village Ambethan Taluka Khed, Pune, Maharashtra - 410501
17	Sandhar Technologies Limited (MH) - Unit-II	Gate No.3420-3421,Taluka-Shirur,village, Talegaon Dhamdhere Sub Post Office, Talegaon Dhamdhere, Pune, Maharashtra, 412208
18	Sandhar Technologies Limited (MH) - Unit-III	Plot No. I-11, Part-II, Taluka Khed, Kanhersar, Pune, Maharashtra, 410505
19	Sandhar Technologies Limited (MH) - Unit-IV	Plot No.E-10, MIDC, Chakan Industrial Area, Phase-III, Village Kuruli, Taluka Khed, Pune, Maharashtra- 410501
20	Sandhar Technologies Limited (UK) - Unit-I	Plot No.-16, Industrial Park -4, Village - Begumpur Haridwar (Uttarakhand) -249403
21	Sandhar Technologies Limited- Nalagarh Unit-I	Village Bhatian, Tehsil Nalagarh, District Solan, Pargna Plassi, Nalagarh, Solan, Himachal Pradesh-174101 and additional place of business Village Baghbania Post Office Manpura, Tehsil Baddi, Solan-173205

S. No.	Name of Unit	Location
22	Sandhar Himachal ( A unit of Sandhar Technologies Limited)	Bharatgarh Road, Village Dhabhotta, Tehsil Nalagarh Distt. Solan (H.P.)
23	Sandhar Technologies Limited (RJ) - Unit-I	Plot. No. SPI-889, RIICO Industrial Area, Pathredi, Bhiwadi, Rajasthan - 301019
24	Sandhar Technologies Limited (RJ) - Unit-II	004-003 & 004-004, Ajmer Road-Mahindra World City, Village Narsinghpura Dadiya, Tehsil-Sanganer, Jaipur, Rajasthan - 302037

#### B. Plants of the Subsidiaries

S. No.	Name of Subsidiary	Name of Unit	Location
1.	Sandhar Technologies Barcelona S.L (overseas Subsidiary)	Sandhar Technologies Barcelona S.L (overseas Subsidiary)	Avda Col Rubio, 46 Pol, Indl, Casa Nova 08730 Sta. Margarida, I Els Manjos, Barcelona, Spain
2.	Sandhar Technologies de Mexico, SR de L de CV (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies de Mexico, SR de L de CV (Subsidiary of Sandhar Technologies Barcelona S.L)	Av. Torre Centro Insurgentes, 3 Parque Opcion San Jose Iturbide 37980 (Guanajuato) Mexico
3.	Sandhar Technologies, Poland, Sp. Z.o.o (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies, Poland, Sp. Z.o.o (Subsidiary of Sandhar Technologies Barcelona S.L)	Ul Legionow 59, 42-200 Czesochowa Poland
4.	Sandhar Technologies Ro SRL (Romania) (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies Ro SRL (Romania) (Subsidiary of Sandhar Technologies Barcelona S.L)	Str. Bruxelles, Nr. 32, Prejmer, Brasov
5.	Sandhar Engineering Private Limited	Sandhar Engineering Private Limited (GJ) - Unit-I	Plot No. 107/1, Halol Masawad GIDC, Halol-II, Panchmahals, Gujarat-389350
		Sandhar Engineering Private Limited (KA) - Unit-I	Building No. 244 and 242/1, Ballur Panchayat, Dasanapura village, Attibele Hubli, Anekal Taluk, Bengaluru (Bangalore) Urban, Karnataka-562107
		Sandhar Engineering Private Limited (KA) - Unit-II	Building No. 191 to 194 and 202 to 205, 2nd Phase Industrial Area, Thandya Industrial Estate, Mysuru, Karnataka- 571302
6.	Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	Sandhar Ascast Private Limited	Plot No-92, Sector-3 IMT Manesar, Gurgaon, Haryana - 122052
7.	Sandhar Automotive Systems Private Limited	Sandhar Automotive Systems Private Limited	Plot No.- 44, Sector-3, IMT Manesar, Gurugram, Haryana - 122052
8.	Sandhar Auto Castings Private Limited	Sandhar Auto Castings Private Limited (KA) - Unit-I	Sy.No.129 & 132/3, Nanjanagudu Taluk, Chikkayyanachatra Hobli, Thandavapura, Mysuru, Karnataka - 571302
		Sandhar Auto Castings Private Limited (TN) - Unit-I	Sy.No.620/1A & 620/2A, SH 17A, Nagondapalli, Krishnagiri, Tamil Nadu, 635110
9.	Sandhar Auto Electric Solutions Private Limited	Sandhar Auto Electric Solutions Private Limited	1747/1218/1, Khandsa Marg, Behrampur Road, Khandsa Village, Gurugram, Haryana



#### Plants of Joint Venture Companies(JVs)

S. No.	Name of JV Company	Name of Unit	Location
1.	Sandhar Han Sung Technologies Private Limited	Sandhar Han Sung Technologies Private Limited	Plot No-B-2 SIPCOT Indl Growth Center Oragadam, Chennai,
		Sandhar Han Sung Technologies Private Limited	Village P.O. Khandsa, Behrampur Road, Gurugram Haryana - 122004
2.	Sandhar Amkin Industries Private Limited	Sandhar Amkin Industries Private Limited	Plot No-26, Sector-5 IMT Manesar, Gurgaon Haryana-122050
3.	Kwangsung Sandhar Automotive Systems Private Limited	Kwangsung Sandhar Automotive Systems Private Limited	No. 31A/9 and 31A/10 SIDCO Industrial Estate, Ambattur Chennai, Tamil Nadu -600098
4.	Sandhar Whetron Electronics Private Limited	Sandhar Whetron Electronics Private Limited	Village Dhumaspur, PO Badshahpur, Distt. Gurgaon Haryana-122101
5.	Winnercom Sandhar Technologies Private Limited	Winnercom Sandhar Technologies Private Limited	Plot No. 8, Bommasandra, Jigani Link Road, Bommasandra, Anekal Taluk, Bangalore Rural Karnataka-562106
6.	Sandhar Han Shin Auto Technologies Private Limited	Sandhar Han Shin Auto Technologies Private Limited	27/4, A4 Yarandahalli Jigani Link Road, 4th Phase, KIADB Industrial Area Bommasandra, Bangalore Rural Karnataka-560105

#### (n) Address for correspondence:

Investors and shareholders may correspond with the RTA or at corporate office of the Company at the following address:

Registrar and transfer agent – MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)	Company
C-101, 1st floor 247 Park L B S Marg, Vikhroli (West) Mumbai 400 083	Registered Office: B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029
Tel: 8108116767	Corporate Office: Plot No. 13, Sector 44, Gurgaon - 122002
E-mail: <a href="mailto:rnt.helpdesk@in.mpms.muvg.com">rnt.helpdesk@in.mpms.muvg.com</a>	Email: <a href="mailto:investor.relations@sandhar.in">investor.relations@sandhar.in</a> (for Institutional Investors)
Investor Grievance e-mail: <a href="mailto:rnt.helpdesk@in.mpms.muvg.com">rnt.helpdesk@in.mpms.muvg.com</a>	Email: <a href="mailto:investors@sandhar.in">investors@sandhar.in</a> (for Others)
Website: <a href="https://in.mpms.muvg.com/">https://in.mpms.muvg.com/</a>	

#### (o) COMMODITY PRICE RISK OF FOREIGN EXCHANGE RISK & HEDGING ACTIVITIES

The Company has managed the foreign exchange risk and the transactions have been debarred or disqualified from hedging to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 37 to the Standalone Financial Statements.

#### (p) CREDIT RATING

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the Financial Year ended 31<sup>st</sup> March, 2025.

During the year under review India Rating & Research and ICRA, a credit rating agency registered with SEBI had reaffirmed the credit ratings as follows:

S. No.	Name of Facilities	Credit Rating by	
		India Rating & Research	ICRA
1.	Term loan	IND AA-/ Stable	[ICRA]AA-(Stable); Assigned
2.	Long-term/ Short term-Fund-based working capital limits	IND AA-/Stable/IND A1+	[ICRA]AA- (Stable)/ [ICRA]A1+; Assigned
3.	Long-term/ Short term-Non-Fund-based working capital limits	IND AA-/Stable/IND A1+	-
4.	Commercial Paper	IND A1+	-

## **X. Other Disclosures:**

### **(a) Related Party Transaction:**

All related party transactions undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules made thereunder and Regulation 23 of the Listing Regulations. During the year under review, all related party transactions entered into by the Company, were prior approved by the Audit Committee and were in the ordinary course of business and on an arm's length basis. Also, the Company did not enter into any material related party transactions.

The Board has also formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Act and the Listing Regulations. The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. The Policy also provides that the concerned or interested Director shall not participate in any discussion or approval of any contracts or arrangements with related parties. This Policy is periodically reviewed and suitably revised to match with the updated legal requirements, as applicable.

The said Policy can be accessed on the Company's website at <https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf>

The Audit Committee, during the financial year 2024-25, has approved related party transactions along with granting omnibus approval in line with the Policy on dealing with and materiality of related party transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force). The Audit Committee reviews at least on a quarterly basis, the details of related party transactions, if any, entered into by the Company and its subsidiaries pursuant to the omnibus approval granted.

During the year, no materially significant transaction was entered into by the Company with its related parties that may have a potential conflict with the interests of the Company.

None of the transactions with any of the related parties were in conflict with the interest of the Company, rather they synchronize and synergise with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 32 of the Annual Financial Statements, forming part of the Annual Report.

In addition to the above and as required under the Listing Regulations, the Company is in compliance with the Accounting Standards on related party disclosures, and has been submitting disclosures of related party transactions to the Stock Exchanges in the prescribed format from time to time.

### **(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three Years;**

During the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

### **(c) Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

The Company has established a Whistle Blower Policy to enable stakeholders (including but not limited to Directors, Employees, retainers) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy are to be appropriately and expeditiously investigated by the Audit Committee. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy is available on the website of the Company at [https://sandhargroup.com/uploads/Investor/whistle-blower-policy\\_new.pdf](https://sandhargroup.com/uploads/Investor/whistle-blower-policy_new.pdf)

### **(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

All the mandatory requirements of the Listing Regulations relating to Corporate Governance has been duly complied by the Company in letter and spirit.

Also, the Company has duly fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the Listing Regulations:

#### **Modified Opinion(s) in Audit Report**

During the year under review, there is no audit qualification in your Company's consolidated and standalone financial statements.

#### **Woman Independent Director**

The Company has six Independent Directors, including two Woman Independent Directors.

#### **Reporting of the Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

## (e) MATERIAL SUBSIDIARIES

In terms of the requirement of the Policy on Material Subsidiaries, a subsidiary shall be considered as an unlisted material subsidiary if its turnover or net worth exceeds ten (10) % of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

A copy of the said Policy on Material Subsidiaries is available on <https://sandhargroup.com/uploads/Investor/policy-for-determining-material-subsidiaries1.pdf>

In terms of the Listing Regulations amendment dated the 9<sup>th</sup> May, 2018, effective from 1<sup>st</sup> April, 2019, the Company's foreign subsidiary viz. Sandhar Technologies Barcelona S.L. together with its step-down subsidiaries shall be considered as a Material Subsidiary.

The Audit Committee of the Company reviews the Consolidated Financial Statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

### Details of Subsidiaries of the Listed Entity

The Audit Committee reviews the financial statements of the subsidiaries. It also reviews the Investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by subsidiaries and the compliances of each materially significant subsidiary on a periodic basis. The Audit Committee also reviews the utilisation of loans/ advances/ investments given by the Company to its subsidiaries. The minutes of Board meetings of the subsidiary companies are placed before the Board for review.

### Details of the subsidiary given below:

S. No	Name of subsidiary & its location	Date of Incorporation	Nature of subsidiary	Type of subsidiary pursuant to regulation 16(1) (c) of the Listing Regulations. i.e. [Material or otherwise]
1	Sandhar Ascast Private Limited (Formerly Known as Sandhar Tooling Private Limited) Registered office at Plot No-13, Sector-44, Gurugram, Haryana -122002	26 <sup>th</sup> February, 2002	Domestic company	Otherwise
2	Sandhar Engineering Private Limited Registered office at Plot No-13, Sector-44, Gurugram, Haryana -122002	14 <sup>th</sup> October, 2021	Domestic company	Otherwise
3	Sandhar Auto Electric Solutions Private Limited Registered office at Plot No. 13, Sector-44, Gurugram, Haryana-122002	6 <sup>th</sup> January, 2022	Domestic company	Otherwise
4	Sandhar Automotive Systems Private Limited Registered office at Plot No. 44, Sector-3, IMT Manesar, Gurugram, Haryana-122050	20 <sup>th</sup> June, 2017	Domestic company	Otherwise
5	Sandhar Auto Castings Private Limited Registered office at Plot No.13, Sector-44, Gurugram, Haryana-122002	29 <sup>th</sup> July 2020	Domestic company	Otherwise
6	Sandhar Technologies Barcelona S.L., Registered at Av. Cal Rubio, no 46, Santa Margarida I els Monjos, Barcelona, Spain	18 <sup>th</sup> May, 2007	Foreign company (RBI UIN no. ND-WAZ20090757)	Material

Company's wholly-owned foreign subsidiary, viz. Sandhar Technologies Barcelona S.L. has the following subsidiaries:

S. No	Name of subsidiary & its location	Date of Incorporation	Nature of subsidiary	Type of subsidiary pursuant to regulation 16(1) (c) of the Listing Regulations. i.e. [Material or otherwise] Otherwise
1	Sandhar Technologies Poland sp. z o.o. Registered Office at Ul Legionow 59, 42-200, Czesochowa, Poland	20 <sup>th</sup> June, 2011	Foreign company	
2	Sandhar Technologies De Mexico SR. de L de CV Registered Office at Av. Torre centro Insurgentes, 3 Parque Opcion, San Jose Iturbide 37980, Guanauato, Mexico	27 <sup>th</sup> February, 2014	Foreign company	Subsidiary of Material Subsidiary
3	Sandhar Technologies Ro SRL Registered Office 6-9 Corneliu Coposu Boulevard 8th floor, Office No. M09, 3rd District Bucharest, 030606, Romania	4 <sup>th</sup> March 2021	Foreign Company	

**(f) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries**

Name of Material Subsidiary	Date of incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment
Sandhar Technologies Barcelona S.L.,	18 <sup>th</sup> May, 2007	Registered at Av. Cal Rubio, no 46, Santa Margarida I els Monjos, Barcelona, Spain	SW Audit Control S.L.P.	06 <sup>th</sup> June, 2022

**(g) Disclosure by the company and its subsidiaries of 'loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount.**

The company and its subsidiaries have not granted any loans and advances in the nature of loans to firms / companies in which the company's directors are interested.

**(h) Disclosure of accounting treatment in preparation of financial statements:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

**(i) Details of Utilisation of Funds of Preferential Allotment/QIP**

The Company has not raised funds through Preferential Allotment/QIP during the year under review.

**(j) Certificate from the Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors**

A certificate from M/s. K K. Sachdeva & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority, is attached as "Annexure- EI" to this report.

**(k) Acceptance of Recommendation of Board Committees**

During the Financial Year 2024-25, there was no recommendation of any committee of the Board of the Company which is mandatorily required and not accepted by the Board of the Company.

**(l) Details of total fees paid to Statutory Auditors**

Type of Service	(INR. in Lacs)	
	March, 2025	March, 2024
As Auditor		
Audit Fees	68.00	55
Limited Review	12.00	12.00
In Other Capacity		
Other Services (Certification Fees)	3.50	5.25
Reimbursement of Expenses	2.61	4.19
<b>TOTAL</b>	<b>86.11</b>	<b>76.44</b>

**(m) Sexual Harassment of Women at the Workplace:**

The Company has in place a policy on Prevention of Sexual Harassment at the workplace. For further details in this regard, please refer to the Board's Report forming part of this Annual Report.

Details of complaints received and redressed during the Financial Year 2024-25:

- a. Number of complaints received during the Financial Year: None
- b. Number of complaints disposed of during the Financial Year: None
- c. Number of complaints pending as on the end of the Financial Year: None.

**(n) Code of Conduct:**

The Board has formulated and adopted a Code of Conduct and Ethics for the Board of Directors and Senior Management. The said code has been revised/ updated by the Board at its meeting held on 09<sup>th</sup> February, 2023, as updated from time to time and has been hosted on the website of the Company at [https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt\\_new.pdf](https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf). All Board members and Senior Management Personnel affirmed the compliance with the Code of Conduct as on 31<sup>st</sup> March, 2025.

A Declaration to this effect signed by the CEO in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Board's Report regarding compliance and is annexed as "Annexure-E2" with this report.

**(o) Code of Conduct for Prevention of Insider Trading**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code of Conduct for Prohibition of Insider Trading with Code of Practice and Procedure for fair Disclosure of Unpublished Price Sensitive Information was approved and adopted by the Company. The Code of Conduct for Prohibition of Insider Trading is displayed on the website of the Company <https://sandhargroup.com/>

**XI. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF**

All the requirements of Corporate Governance Report of sub-paragraphs (2) to (10) Para C of Schedule V of Listing Regulations have been duly complied with.

**XII. CONFIRMATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION 2 OF REGULATION 46:**

The Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations including disclosure requirements as enumerated under Schedule V thereto.

**XIII. CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION**

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. They also certify that, to the best of their knowledge and belief, no transactions entered into during the year were fraudulent, illegal or in violation of the code of conduct of the Company, they are responsible for establishment and maintenance of the Internal Financial Controls for financial reporting and they have indicated to the auditors and the Audit Committee about any significant changes in internal control over financial reporting, significant changes in the accounting policies and instances of significant frauds, if any, which they were aware. The said certificate is annexed as "Annexure-E3" and forms part of this Annual Report.



**XIV. COMPLIANCE CERTIFICATE FROM M/S. K.K. SACHDEVA & ASSOCIATES, PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE IS ANNEXED AS “ANNEXURE-F”**

**XV. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

- a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b) aggregate number of shareholders and their shares transferred in the suspense account during the year: Nil
- c) number of shareholders who approached the listed entity for transfer of shares from the suspense account during the year: Nil
- d) number of shareholders to whom shares were transferred from the suspense account during the year: Nil
- e) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil;
- f) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

**XVI. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES**

The company has not entered into any agreements as required to be disclosed under clause 5A of Paragraph A of Part A of schedule III of SEBI Listing Regulations.

For and on behalf of the Board of Directors

**Sandhar Technologies Limited**

**Jayant Davar**

Chairman, Managing Director  
& Chief Executive Officers

DIN: 00100801

Place: Gurugram, Haryana

Date: 07<sup>th</sup> August, 2025

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

**Sandhar Technologies Limited**

B-6/20 L.S.C. Safdarjung Enclave,

New Delhi-110029

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sandhar Technologies Limited having CIN L74999DL1987PLC029553 and having Registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors. We hereby certify that as on Financial Year ended on 31st March, 2025 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Jayant Davar	00100801	24/10/1987
2.	Archana Capoor	01204170	05/11/2018
3.	Vikrampati Singhania	00040659	09/08/2023
4.	Vimal Mahendru	00006016	05/11/2019
5.	Bharat Anand	02806475	12/08/2019
6.	Arjun Sharma	00003306	24/05/2016
7.	Aabha Bakaya	05131734	08/08/2024
8.	Sandeep Dinodia	00005395	02/02/2022
9.	Monica Davar	00100875	24/10/1987
10.	Neel Jay Davar	09201336	06/08/2021

\*Date of Appointment is as per the MCA Portal

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For K. K. Sachdeva & Associates**  
Practicing Company Secretary

Sd/-  
**K.K. Sachdeva**  
(Proprietor)

Place: New Delhi  
Date: 07<sup>th</sup> August, 2025

FCS. 7153, CP No. 4721  
UDIN: F007153F000927701

## COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To,  
The Members,  
**Sandhar Technologies Limited**  
B-6/20 L.S.C. Safdarjung Enclave,  
New Delhi-110029

**Sub:** Declaration regarding compliance with the Company's Code of Conduct for Directors and Senior Management.

**Ref.:** Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Jayant Davar, Chairman, Managing Director and CEO of Sandhar Technologies Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for the financial year 2024–25.

FOR **SANDHAR TECHNOLOGIES LIMITED**

Sd/-

**Jayant Davar**

Chairman, Managing Director &  
Chief Executive Officer

DIN:00100801

Place: Gurugram, Haryana

Date: 07<sup>th</sup> August, 2025

## CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,  
The Members,  
**Sandhar Technologies Limited**  
B-6/20 L.S.C. Safdarjung Enclave,  
New Delhi-110029

Sub.: Compliance Certificate under Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that for the Financial Year ended 31<sup>st</sup> March, 2025:

1. We have reviewed the financial statements and the cash flow statement for the year as aforesaid and to the best of our knowledge and belief:
  - a) These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements' together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2025 which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of deficiencies, if any, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a) That there were no significant changes in internal control over financial reporting, during the year;
  - b) All significant changes in the accounting policy during the year, if any, have been disclosed in the notes in respective place in the financial statements; and
  - c) There were no instances of significant fraud, of which we have become aware of and involvement therein, if any, of the management or an employee having significant role in companies internal control system over financial reporting.

For **SANDHAR TECHNOLOGIES LIMITED**

Sd/-

**Jayant Davar**

Chairman, Managing Director & CEO  
DIN: 00100801

Sd/-

**Yashpal Jain**

Chief Financial Officer & Company Secretary  
ICSI M. No. A13981

Place: Gurugram, Haryana

Date: 07<sup>th</sup> August, 2025

## PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Sandhar Technologies Limited,**  
B-6/20, L.S.C. Safdarjung Enclave,  
New Delhi-110029

We have examined the compliance of conditions of Corporate Governance by Sandhar Technologies Limited (hereinafter referred "the Company"), for year ended 31<sup>st</sup> March, 2025 as stipulated under Regulations 17 to 27, clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance with the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Regulations of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Regulations of the Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **K.K. Sachdeva & Associates**  
Practicing Company Secretary

Sd/-  
**K.K. Sachdeva**  
(Proprietor)  
UDIN:F007153G000952350

Place: New Delhi  
Date: 07<sup>th</sup> August, 2025



## Information pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of the remuneration of each Director/ Key Managerial Personnel (KMP) to the median remuneration of the employee of the Company for the Financial Year 2024-25.

(INR. In Lacs)

S. No.	Name of Director/ KMPs and Designation	Remuneration of Director / KMP for Financial Year 2024-25	Ratio of Remuneration of each Directors to the Median Remuneration of employees	(%) increase in remuneration in Financial Year 2024-25
1.	Shri. Jayant Davar (Chairman, Managing Director & Chief Executive Officer)**	884.69*	182	15.10%
2.	Shri. Yashpal Jain (Chief Financial Officer and Company Secretary)	179.54	37	38.52%

Note: The Remuneration of Directors as disclosed in the Corporate Governance Report forming part of the Annual Report.

\*Inclusive of Commission provided and payable for an amount of Rs.741.18 Lacs.

\*\*Shri Jayant Davar was appointed as Chairman and Chief Executive Officer of the Company w.e.f. 23<sup>rd</sup> May, 2024. From the said date his designation will be Chairman, Managing Director and Chief Executive Officer.

The median remuneration of the employees of the Company during the Financial Year 2024-2025 was Rs. 4.87 Lacs.

Percentage increase in the median remuneration of employees in the last Financial Year 2024-2025 was 7.44 % as compared to the previous year.

No. of permanent employees as on the 31<sup>st</sup> March, 2025 are 1,689.

Average percentage increase in the salaries of employees other than managerial personnel in the Financial Year 2024-2025 was 9.13%; whereas the increase in the managerial remuneration in the Financial Year 2024-2025 was 15.10%.

The change in compensation of employees is guided by factors such as market trends, internal parity and is in line with the normal pay revisions which is linked to individual performance and the Company's performance.

It is hereby affirmed that the remuneration paid is as per the Remuneration policy for Directors/ Key Managerial Personnel & other employees.

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

Place: Gurugram, Haryana  
Date: 07<sup>th</sup> August, 2025

Sd/-  
**Jayant Davar**  
Chairman, Managing Director and Chief Executive Officer  
DIN: 00100801

**Form No. MR-3 SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Sandhar Technologies Limited  
B-6/20, L.S.C, Safdarjung Enclave, New Delhi- 110029

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sandhar Technologies Limited (CIN: L74999DL1987PLC029553) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the Audit Period covering the financial year ended on 31<sup>st</sup> March, 2025 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on the 31<sup>st</sup> March, 2025 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit period);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the Audit period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable to the Company during the Audit period);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Audit period);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit period);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) We further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
  - i) The Factories Act, 1948;
  - ii) The Competition Act, 2002;
  - iii) The Industries (Development and Regulation) Act, 1951 and rules/ regulations framed thereunder;
  - iv) The Petroleum Act, 1934 and the rules made thereunder;
  - v) The Environment Protection Act, 1986 and the rules made thereunder;
  - vi) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made thereunder;
  - vii) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made thereunder;
  - viii) Noise Pollution (Regulation and Control) Rules 2000;
  - ix) The Shop and Establishment Act, 1948;
  - x) The Industrial Disputes Act, 1947;
  - xi) The Workmen's Compensation Act, 1923;

- xii) The Payment of Wages Act, 1936
- xiii) The Minimum Wages Act, 1948;
- xiv) The Payment of Bonus Act, 1965; and
- xv) Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

We further report that the Company's compliance with applicable financial laws, including direct and indirect tax, has not been reviewed in this Audit, as these matters are subject to review by the statutory auditor and other designated authorities.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards (SS) with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and
- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Independent Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance for meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board and Committee Meetings were carried out through unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance

with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period following event occurred which had major bearing on the Company's affairs in pursuance of the above laws, rules, regulations, guidelines, standards, etc.,

- a) Sandhar Ascast Private Limited (SAPL) a Wholly Owned Subsidiary of the Company has entered into Business Transfer Agreement ("BTA") with Sundaram-Clayton Limited, on 26<sup>th</sup> March, 2025 for Acquisition of High Pressure and Low Pressure Aluminum Die Casting Business of its Hosur Plant, Karnataka..
- b) The Company has executed a Share Purchase Agreement dated 27<sup>th</sup> March, 2025 with Jinyoung Electro-Mechanics Co. Ltd. (Business Registration Number: 608-81-26822), a Company incorporated under the laws of South Korea having its address at 31 Nongongdanji-ro, Jinbuk-myun, Masanhapo-gu, Changwon-si, Gyungangnam-do, for the sale of entire stake in the joint venture, Jinyoung Sandhar Mechatronics Private Limited ("JSM").

Place: New Delhi  
Date: 22<sup>nd</sup> May, 2025

**For K K Sachdeva & Associates**  
**Company Secretaries**  
Firm No. 12002DE298800  
Peer Review: 1684/2022

**K K Sachdeva**  
**Proprietor**  
FCS No. 7153, CP No. 4721  
UDIN: F007153G000407905

This report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

To,  
The Members,  
Sandhar Technologies Limited  
B-6/20, L.S.C, Safdarjung Enclave, New Delhi- 110029

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification.

Place: New Delhi  
Date: 22.05.2025

**For K K Sachdeva & Associates**  
**Company Secretaries**  
Firm No. 12002DE298800  
Peer Review: 1684/2022

**K K Sachdeva**  
**Proprietor**  
FCS No. 7153, CP No. 4721  
UDIN: FO07153G000407905

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	: L74999DL1987PLC029553
2.	Name of the Listed Entity	: SANDHAR TECHNOLOGIES LIMITED ("the Company" or STL)
3.	Year of incorporation	: 19-10-1987
4.	Registered office address	: B-6/20, L.S.C. Safdarjung Enclave New Delhi, Delhi, India, 110029
5.	Corporate address	: Plot-13, Sector-44, Gurugram, Haryana, India, 122002
6.	E-mail	: brsr@sandhar.in
7.	Telephone	: 0124-4518900
8.	Website	: www.sandhargroup.com
9.	Financial year for which reporting is being done	: 2024-2025
10.	Name of the Stock Exchange(s) where shares are listed	: National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	: ₹ 6,019.07 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Shri. Yashpal Jain Email: brsr@sandhar.in Telephone: 0124-4518900
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	: The disclosures under this report are made on a standalone basis.
14.	Name of assessment or assurance provider:	: The Company does not fall within the top 250 listed companies based on average market capitalization and, therefore, is not mandatorily required to undertake external assessment or assurance for the BRSR as per regulatory guidelines. Accordingly, this requirement is currently not applicable.
15.	Type of assessment or assurance obtained:	: NA

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Metal & Metal Products	100%

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Locks	259, 282, 293, 309, 453 and 454	24.07%
2.	Sheet Metal Components	282, 293, 309, 453 and 454	22.81%
3.	Other Products	282, 293, 309, 453 and 454	21.88%
4.	Wheel Assembly	293, 309, 453 and 454	9.39%
5.	Cabins	282	9.29%
6.	Mirror Assembly	282, 293, 309, 453 and 454	7.47%
7.	Handle Bar Assembly	293, 309, 453 and 454	3.34%
8.	Plastic Parts	292, 293, 309, 453 and 454	1.75%



### III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	25*	2	27
International	-	-	-

\*The total number of 25 plants includes two plants that are co-located at a single site.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	5

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The overall contribution of the exports to the total turnover is 1.13%.

c. A brief on types of customers

The Company is a market leader in the automotive components and system segment, offering a wide range of innovative, high-quality, and cost-effective products to customers worldwide. Sales are primarily conducted through a Business-to-Business (B2B) model, catering mainly to Original Equipment Manufacturers (OEMs).

### IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1,144	1,082	95%	62	5%
2.	Other than Permanent (E)	44	38	86%	6	14%
3.	Total employees (D + E)	1,188	1,120	94%	68	6%
WORKERS						
4.	Permanent (F)	501	475	95%	26	5%
5.	Other than Permanent (G)	59	59	100%	-	0%
6.	Total workers (F + G)	560	534	95%	26	5%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	0%	-	0%
2.	Other than Permanent (E)	-	-	0%	-	0%
3.	Total differently abled employees (D + E)	-	-	0%	-	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	0%	-	0%
5.	Other than permanent (G)	-	-	0%	-	0%
6.	Total differently abled workers (F + G)	-	-	0%	-	0%

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	10	3	30%
Key Management Personnel**	2	-	0%

\* The Board of Directors includes one member of the Key Managerial Personnel (KMP), namely, Shri Jayant Davar, who is the Chairman, Managing Director and was appointed as the Chief Executive Officer of the Company with effect from 23rd May 2024.

\*\*KMP includes one member who is also part of the Board of Directors and one individual who holds dual responsibilities as Chief Financial Officer as well as Company Secretary.

## 22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-2025 (Turnover rate in current FY)			FY 2023-2024 (Turnover rate in previous FY)			FY 2022-2023 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.61%	32.48%	26.92%	26.09%	32.20%	26.43%	30.52%	28.57%	30.41%
Permanent Workers	4.18%	10.91%	4.55%	2.07%	3.85%	2.16%	3.10%	4.35%	3.16%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sandhar Automotive Systems Private Limited	Subsidiary	100%	No
2	Sandhar Ascot Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	100%	No
3	Sandhar Auto Castings Private Limited	Subsidiary	100%	No
4	Sandhar Engineering Private Limited	Subsidiary	100%	No
5	Sandhar Technologies Barcelona S. L	Subsidiary	100%	No
6	Sandhar Auto Electric Solutions Private Limited	Subsidiary	100%	No
7	Winnercom Sandhar Technologies Private Limited	Joint Venture	50%	No
8	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture	50%	No
9	Sandhar Whetron Electronics Private Limited	Joint Venture	50%	No
10	Sandhar Amkin Industries Private Limited	Joint Venture	69.12%	No
11	Sandhar Han Sung Technologies Private Limited	Joint Venture	50%	No
12	Kwangsung Sandhar Technologies Private Limited	Joint Venture	50%	No
13	Jinyoung Sandhar Mechatronics Private Limited*	Joint Venture	50%	No

\* The Company entered into a Share Purchase Agreement with Jinyoung Electro-Mechanics Company Limited, South Korea, on 27 March 2025, for the sale of its entire stake in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The consideration for the transaction was received on 15 April 2025. Consequently, Jinyoung Sandhar Mechatronics Private Limited ceased to be a Joint Venture of the Company as of 15 April 2025.

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes

(ii) Turnover (in ₹) – 2,91,303.56 Lakhs

(iii) Net worth (in ₹) – 1,14,655.31 Lakhs

## VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024–2025 Current Financial Year			FY 2023–2024 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	1,361	-	-	488**	-	-
Value Chain Partners (Other than customers)	Yes	382	9	-	201**	-	-
Other (please specify)	NA	-	-	-	-	-	-

\*The Company's Vigil Mechanism/Whistle-Blower Policy provides a robust framework for employees and directors to raise concerns and grievances. The policy is accessible at: <https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr>. Additionally, the Company has a Grievance Redressal Policy in place specifically for employees, ensuring that workplace-related concerns are addressed through a structured and transparent process.

A dedicated email ID, [investors@sandhar.in](mailto:investors@sandhar.in), is available for investors and shareholders to raise their queries. The Legal and Secretarial Department oversees the monitoring and resolution of concerns received through this channel, in coordination with the relevant departments within the Company.

With regard to suppliers, customized surveys are periodically conducted to gauge their satisfaction and gather feedback on their business interactions with the Company.

Additionally, the Company obtains customer assessment and feedback through specified platforms as per the Company's Policy on a regular basis to identify areas of concern reported. This enables the identification of key concerns and areas for improvement, ensuring customer issues are addressed systematically and effectively.

\*\* The previous year's figures have been revised or regrouped wherever necessary.

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk & Opportunity	Climate change poses both risks and opportunities with significant implications for the Company's long-term operational and financial sustainability. As a leader in the automotive components and systems sector, the Company is exposed to both physical risks (e.g., extreme weather events, supply chain disruptions) and transition risks (e.g., evolving regulations, shifting market preferences). At the same time, climate change presents opportunities through increased demand for sustainable mobility solutions, including electric vehicles (EVs) and low-emission technologies.	<p>The Company has integrated climate-related considerations into its enterprise risk management framework. Key mitigation strategies include:</p> <ul style="list-style-type: none"> <li>- Ongoing assessment and reduction of carbon footprint across operations and supply chain.</li> <li>- Adoption of cleaner technologies and energy-efficient manufacturing practices.</li> <li>- Monitoring regulatory developments and adapting business strategies accordingly.</li> </ul> <p>These initiatives are aimed at ensuring business resilience and regulatory compliance, while supporting the Company's long-term sustainability vision.</p>	Negative and Positive
2	Stakeholder Engagement	Opportunity	<p>Stakeholder engagement presents a strategic opportunity for the Company to strengthen its relationships with key internal and external stakeholders, including customers, employees, investors, suppliers, regulators, and the communities it serves. Engaging meaningfully with stakeholders helps the Company:</p> <ul style="list-style-type: none"> <li>- Gather actionable insights and diverse perspectives.</li> <li>- Anticipate emerging expectations and market trends.</li> <li>- Enhance trust, transparency, and brand reputation.</li> <li>- Make informed decisions that are aligned with stakeholder priorities and long-term value creation.</li> </ul> <p>The Company has institutionalized a robust and continual stakeholder engagement framework, involving structured dialogues, feedback mechanisms, and periodic assessments to ensure alignment with stakeholder interests.</p>	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Waste Management	Risk and Opportunity	Improper handling, treatment, or disposal of waste can pose environmental, regulatory, and reputational risks to the Company. Being part of a resource-intensive manufacturing sector, the Company generates various types of industrial and hazardous waste. At the same time, efficient waste management presents a strategic opportunity to enhance resource efficiency, promote circularity, and reduce environmental footprint. By focusing on waste reduction, recycling, and reuse, the Company can derive environmental and operational benefits while aligning with sustainability goals.	Disposal of waste through authorised vendors.	Negative and Positive
4	Water Management	Risk and Opportunity	<p>Water is a critical natural resource for manufacturing operations, and its efficient management is essential for business continuity, environmental stewardship, and community well-being. The Company recognizes water scarcity, regulatory pressure, and community expectations as key risks that require proactive mitigation. At the same time, adopting sustainable water practices offers opportunities to reduce operational costs, strengthen license to operate, and demonstrate leadership in responsible resource use.</p> <p>The Company is committed to enhancing water-use efficiency and ensuring equitable access to water for stakeholders in and around its operational areas.</p>	<p>To address water-related risks and promote sustainability, the Company has adopted a multi-pronged approach:</p> <ul style="list-style-type: none"> <li>- Zero Liquid Discharge (ZLD)-compliant systems have been implemented in four major manufacturing units, utilizing Rotary Evaporators and Solar Evaporators to significantly reduce liquid discharge.</li> <li>- Other facilities are equipped with Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to ensure proper treatment of industrial and domestic wastewater.</li> <li>- Treated water is reused for non-potable applications such as gardening, thereby reducing the Company's dependence on freshwater sources.</li> <li>- The Company continuously evaluates new technologies and practices to improve water recycling and conservation.</li> </ul>	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Health & Safety	Risk & Opportunity	<p>Health and safety management is a fundamental aspect of responsible business operations. Inadequate health and safety measures can lead to workplace incidents, legal liabilities, reputational damage, and loss of productivity making it a key risk area. On the other hand, robust health and safety practices enhance employee morale, retention, and operational efficiency, thereby presenting an opportunity to strengthen organizational resilience and stakeholder trust.</p> <p>The Company is fully committed to the continuous improvement of its health and safety practices, guided by its Safety, Health, and Environment (SHE) policy. This commitment applies across all business locations and extends to employees, contract workers, and other stakeholders.</p>	<ul style="list-style-type: none"> <li>- A structured health and safety management system is in place to ensure compliance with relevant laws and internal standards.</li> <li>- Regular training programmes, mock drills, and audits are carried out to promote awareness and preparedness.</li> <li>- Safety monitoring and incident tracking systems are deployed to ensure timely interventions.</li> <li>- Employee participation and feedback are actively encouraged in shaping safety initiatives.</li> </ul>	Negative and Positive
6	Women Empowerment & Employee Engagement	Opportunity	<p>A motivated, engaged, and inclusive workforce is essential for driving innovation, productivity, and sustainable business performance. The Company recognizes the importance of employee engagement and is committed to fostering a workplace culture that supports continuous learning, collaboration, and well-being.</p> <p>In addition, the Company is actively working toward enhancing gender diversity and empowering women through targeted initiatives, inclusive policies, and focused hiring efforts. These actions not only contribute to social equity but also strengthen the Company's positioning as a responsible and progressive employer.</p>	NA	Positive



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Community Engagement	Opportunity	<p>Effective community engagement is a cornerstone of sustainable business practices and social license to operate. The Company recognizes its responsibility to contribute positively to the social and economic development of communities in and around its operational areas. Engaging proactively with local communities helps identify their needs, fosters mutual trust, and creates shared value.</p> <p>Through sustained dialogue and collaboration, the Company aims to support community well-being, enhance livelihoods, and promote inclusive growth. This engagement also helps mitigate potential social risks and strengthens long-term stakeholder relationships.</p>	NA	Positive
8	Responsible Supply Chain Management	Risk & Opportunity	<p>The Company acknowledges that its supply chain plays a critical role in its overall sustainability performance and reputation. Risks such as supply disruptions, non-compliance with labour and environmental standards, and unethical sourcing practices can adversely impact the Company's operations and stakeholder trust. Conversely, responsible supply chain management presents opportunities to enhance resilience, ensure compliance, drive innovation, and create shared value with suppliers.</p> <p>By fostering transparency, ethical sourcing, and sustainability across its supply chain, the Company aims to mitigate risks and leverage opportunities aligned with its values and regulatory requirements.</p>	<ul style="list-style-type: none"> <li>- Implementation of a robust supplier code of conduct that outlines expectations related to labour practices, human rights, environmental management, and business ethics.</li> <li>- Regular supplier audits and assessments to monitor compliance and identify areas for improvement.</li> <li>- Capacity-building initiatives to support suppliers in adopting sustainable practices.</li> <li>- Integration of sustainability criteria in supplier selection and performance evaluation processes.</li> </ul>	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Innovation	Risk	<p>In a highly dynamic and technology-driven industry, there is a continuous need to innovate to stay competitive. The risk arises when existing or new solutions fail to keep pace with evolving market trends, customer expectations, regulatory requirements, or technological advancements. In such cases, companies may experience delays in product development, reduced competitiveness, or missed market opportunities.</p> <p>The Company recognizes that without sustained innovation, it may not be able to meet emerging demands, particularly in the areas of electric mobility, automation, sustainability, and smart manufacturing.</p>	<p>To address this risk, the Company has implemented the following measures:</p> <ul style="list-style-type: none"> <li>- Identification and nurturing of new focus areas through cross-functional collaboration and benchmarking global best practices.</li> <li>- Continuous upskilling of internal teams to foster a culture of innovation and adaptability.</li> </ul>	Negative
10	Disaster Recovery	Risk	<p>Natural disasters such as earthquakes, cyclones, floods, and epidemics pose significant threats to business continuity, employee safety, and operational efficiency. These events can cause unforeseen disruptions in production, supply chain, logistics, and resource availability, leading to financial and reputational losses.</p> <p>Given the Company's geographically spread manufacturing operations, disaster recovery and preparedness are critical to minimize impact and ensure quick restoration of normal operations.</p>	<ul style="list-style-type: none"> <li>- The Company has established a comprehensive Business Continuity Plan (BCP) that outlines protocols for disaster preparedness, emergency response, and recovery.</li> <li>- Adequate insurance coverage is maintained to safeguard against material and financial losses arising from such events.</li> <li>- Periodic drills and training are conducted to ensure employee readiness and operational resilience.</li> <li>- Critical infrastructure and IT systems are backed by redundancy measures and secure data recovery processes.</li> </ul>	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Human Rights	Risk & Opportunity	<p>Upholding human rights is a fundamental aspect of ethical and responsible business conduct. Risks such as discrimination, forced labor, unsafe working conditions, or violation of individual rights can lead to regulatory penalties, reputational damage, and stakeholder distrust. On the other hand, respecting and promoting human rights presents an opportunity to strengthen employee relations, supply chain accountability, and stakeholder confidence.</p> <p>The Company recognizes its responsibility to respect and protect the rights of all individuals impacted by its operations, including employees, contract workers, suppliers, and community members.</p>	<ul style="list-style-type: none"> <li>- Adoption and implementation of a Human Rights Policy aligned with international frameworks such as the UN Guiding Principles on Business and Human Rights.</li> <li>- Prohibition of child labor, forced labor, and discrimination across all operations and value chains.</li> <li>- Inclusion of human rights criteria in vendor onboarding and audits.</li> <li>- Grievance redressal mechanisms available to employees to report concerns confidentially and without fear of retaliation.</li> <li>- Training and awareness programs to embed human rights awareness across all levels of the organization.</li> </ul>	Negative and Positive
12	Training & Education	Opportunity	<p>A skilled and well-trained workforce is a strategic asset to the Company. Employees who are equipped with the right knowledge, tools, and competencies are more efficient, productive, and less prone to workplace injuries. Investment in training and development enhances employee satisfaction, retention, and performance.</p> <p>The Company provides a need-based and innovative range of training programs aimed at building both technical and behavioural capabilities across all levels. These initiatives are designed not only to meet current operational needs but also to support long-term career growth and adaptability in a rapidly evolving industry.</p> <p>Additionally, the Company focuses on recruiting and nurturing talent, and ensures continuous professional development and personal well-being throughout the employee lifecycle.</p>	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13	Data Privacy	Risk	<p>In today's digital environment, data privacy and protection of confidential information are critical to maintaining stakeholder trust and business integrity. The Company is exposed to risks such as leakage of sensitive data, intellectual property (IP) theft, unauthorized access, infringement, or misuse of proprietary information. These risks can lead to legal liabilities, regulatory non-compliance, reputational damage, and financial loss.</p> <p>Intellectual property disputes, particularly in a highly competitive and innovation-driven sector, further underline the importance of robust data governance mechanisms.</p>	<ul style="list-style-type: none"> <li>- Implementation of comprehensive data security policies and protocols across operations.</li> <li>- Regular information audits to monitor data access, storage, and transmission processes</li> <li>- Non-Disclosure Agreements (NDAs) are signed with external parties before exchanging any sensitive or proprietary information.</li> <li>- Appropriate indemnity clauses are embedded in contracts.</li> </ul>	Negative
14	Regulatory Compliance	Risk	<p>Operating in a highly regulated sector, the Company is subject to a wide range of environmental, legal, financial, labor, product safety, and industry-specific regulations at the local, national, and international levels. Non-compliance whether intentional or inadvertent can result in significant legal penalties, operational disruptions, reputational damage, and loss of stakeholder confidence.</p> <p>As regulations continue to evolve, particularly in areas such as emissions, safety standards, Environmental, Social, and Governance (ESG) disclosures, and trade policies, staying ahead of compliance requirements is both a critical risk factor and a key component of responsible governance.</p>	<ul style="list-style-type: none"> <li>- The Company has established appropriate systems and processes to ensure adherence to applicable laws, regulations, and standards across its operations.</li> <li>- Regular internal audits and reviews are conducted to ensure compliance across all functions and locations.</li> <li>- Engagement with legal experts and consultants to interpret complex regulatory frameworks and assess impact.</li> </ul>	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The policies as per the SEBI Regulations are approved by the Board and the rest of the policies are approved by the CSR Committee as designated by the Board.								
c. Web Link of the Policies, if available	<p>The Policies of the Company are placed on the Company's website, which can be accessed at: <a href="https://sandhargroup.com/investors/corporate-governance">https://sandhargroup.com/investors/corporate-governance</a>.</p> <p>Additionally, the Company's intranet hosts a number of internal policies that are available to internal stakeholders only.</p>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company's Supplier Code of Conduct, which applies to its upstream value chain partners, outlines ethical and business requirements including human rights, environmental sustainability, occupational health and safety, and fair working conditions. These principles are expected to be adhered to by all relevant value chain partners.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF:16949:2016 ISO 14001:2015 ISO 45001:2018 ISO 9001:2015 ISO 27001:2013 ISO 27017:2015								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set a goal to become Carbon Neutral by 2050.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<p>The Company is committed to undertake all the environmentally viable initiatives to reduce cost, increase productivity and enhance quality of the products manufactured by it. Together with taking other initiatives, the Company's endeavor is to achieve Carbon Neutrality by 2050 as a long-term environmental goal. As against the previous year's commitments, during the reporting year FY 2024-25, significant progress has been made toward this commitment through the following measures:</p> <ul style="list-style-type: none"> <li><b>Increased use of renewable energy:</b> The Company recorded renewable energy consumption of 10,808.40 GJ, marking a 30% increase compared to the previous year (8,303.57 GJ), thereby demonstrating an accelerating transition toward green energy sources.</li> <li><b>Total energy efficiency:</b> There has been a notable improvement in energy intensity per rupee of turnover, which reduced from 0.000010 in FY 2023-24 to 0.000009 in FY 2024-25. This reflects enhanced energy efficiency across operations.</li> <li><b>Water management:</b> The Company has adopted sustainable water practices, including implementation of ZLD compliant systems in four key units, along with widespread reuse of treated water for non-potable purposes such as gardening. These steps have helped reduce freshwater dependency and liquid discharge volumes.</li> <li><b>Waste Management:</b> The Company ensured safe disposal of hazardous and other operational waste through authorized vendors. Recycled input materials such as aluminium alloy (40%) have been integrated into manufacturing processes.</li> <li><b>Supply Chain Awareness:</b> The Company conducted awareness sessions on environmental compliance (covering Principle 6) for 35% of top BOM suppliers and 75% of manpower and facilities service providers, reinforcing sustainability practices in the extended value chain.</li> </ul> <p>These achievements are in alignment with the Company's broader ESG vision. While the Company is already on its path to meet its previously undertaken initiatives or targets, the Company is further committed for continued efforts to further enhance transparency through stronger data management systems, monitoring ESG commitments and performance assessments. These efforts will support better tracking of progress against long-term sustainability goals and help refine intermediate milestones over time.</p>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9																				
Governance, leadership, and oversight																													
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>We are pleased to present our Business Responsibility and Sustainability Report for the financial year 2024–25.</p> <p>At STL, we view sustainability not just as a compliance requirement but as a strategic priority embedded in our values and operations. Our commitment to ESG principles continues to shape the way we create long-term value for all stakeholders.</p> <p>During the reporting year, we made meaningful progress across key areas:</p> <ul style="list-style-type: none"><li>We achieved a 30% increase in renewable energy consumption, advancing our transition toward cleaner energy sources.</li><li>Our ZLD systems, now operational at four major units, have significantly enhanced our water conservation efforts.</li><li>We strengthened waste management practices, including the use of recycled input materials like aluminium alloy and ensured safe disposal through authorized channels.</li><li>We ensured 100% insurance coverage for our employees and workers and conducted regular training programs on safety, ethics, and human rights.</li><li>We deepened stakeholder engagement through robust grievance mechanisms, community initiatives, and capacity-building efforts within our value chain.</li></ul> <p>While these are encouraging steps, we acknowledge that several ESG-related challenges persist. These include the need for better integration of ESG data systems, improved monitoring of performance indicators across the supply chain, and further clarity on interim milestones for our long-term goal of carbon neutrality by 2050.</p> <p>Looking forward, we remain focused on continuously improving our sustainability performance, strengthening accountability, and aligning with evolving national and global ESG standards. We understand that responsible business conduct is a dynamic and ongoing journey one we are committed to pursuing with integrity, purpose, and collaboration.</p>																												
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Sandhar Leadership Team (SLT) is responsible for implementation of Business Responsibility policy (ies).</p> <p>Mr. Jayant Davar (DIN 00100801), Chairman, Managing Director and Chief Executive Officer, is responsible for oversight of the Business Responsibility policy(ies).</p>																												
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, the SLT as designated by the Board of Directors is responsible for decision making on sustainability related issues, which comprises of the following members:</p> <table><tr><th>Name</th><th>Designation</th></tr><tr><td>Shri Yashpal Jain</td><td>Chief Financial Officer and Company Secretary</td></tr><tr><td>Shri Niraj Hans</td><td>Chief Operating Officer –Sheet Metal &amp; Allied Business</td></tr><tr><td>Shri Gurvinder Jeet Singh</td><td>Senior Advisor and Chief Operating Officer - Automotive Business</td></tr><tr><td>Shri Ajay Kumar Raghav</td><td>Chief Operating Officer – Casting Machining &amp; Tooling Business</td></tr><tr><td>Shri Ashok Kumar Sharma</td><td>Chief of Quality and Head Best Practices</td></tr><tr><td>Shri Venkataraman Srinivasan</td><td>Chief Operating Officer – Cabins &amp; Fabrications</td></tr><tr><td>Smt. Shirin Sachdeva</td><td>Chief of Staff</td></tr><tr><td>Shri Ankush Passi</td><td>Deputy Chief Operating Officer–Sheet Metal &amp; Allied Business</td></tr><tr><td>Shri Vikas Puri</td><td>Deputy Chief Operating Officer–Automotive Business</td></tr></table>									Name	Designation	Shri Yashpal Jain	Chief Financial Officer and Company Secretary	Shri Niraj Hans	Chief Operating Officer –Sheet Metal & Allied Business	Shri Gurvinder Jeet Singh	Senior Advisor and Chief Operating Officer - Automotive Business	Shri Ajay Kumar Raghav	Chief Operating Officer – Casting Machining & Tooling Business	Shri Ashok Kumar Sharma	Chief of Quality and Head Best Practices	Shri Venkataraman Srinivasan	Chief Operating Officer – Cabins & Fabrications	Smt. Shirin Sachdeva	Chief of Staff	Shri Ankush Passi	Deputy Chief Operating Officer–Sheet Metal & Allied Business	Shri Vikas Puri	Deputy Chief Operating Officer–Automotive Business
Name	Designation																												
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Shri Vikas Puri	Deputy Chief Operating Officer–Automotive Business																												



10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes, by the SLT as designated by the Board of Directors.									Annual basis.								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Yes. The SLT as designated by the Board of Directors review compliance with all relevant statutory requirement																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	No. The Company currently conducts internal assessments of the working of its policies. However, it is evaluating the possibility of engaging an external agency for independent assessments in the future.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicator

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Familiarisation Programme for the Board of Directors of the Company are being organised on regular basis on various topics about the business segments, operations of the Company, regulatory requirements and other matters.	80%
Key Managerial Personnel	3	Training on various topics about the business segments, operations of the Company, regulatory requirements and other matters.	66.67%
Employees other than BoDs and KMPs	60	<ul style="list-style-type: none"> <li>Employee Code of Conduct</li> <li>Prevention of Sexual Harassment (POSH)</li> <li>Anti Bribery</li> <li>Whistle-Blower</li> <li>Insider Training</li> <li>Human Rights</li> </ul>	95%
Workers	50	<ul style="list-style-type: none"> <li>Employee Code of Conduct</li> <li>POSH</li> <li>Anti Bribery</li> <li>Whistle Blower</li> </ul>	92%

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Principle 1	State Tax Officer, Adjudication, Vellore	10,000	Minor deficiency in vehicle carrying documents such as e-invoice etc., and the authority imposed penalty of INR 10,000/-. The Company has made the payment and settled the case.	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
NA	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an Anti-Bribery Policy, which is accessible on the Company's Intranet. The Company is committed to upholding the highest standards of ethical conduct and integrity in all its business activities. Every employee, as well as any individual acting on behalf of the Company, is expected to conduct business in an honest, transparent, and professional manner.

The Company maintains a strict zero-tolerance stance towards bribery and corruption. The Company does not permit any form of bribery by or of its employees, or by any individual or organization acting on its behalf. The Board of Directors and senior management are fully committed to the implementation and enforcement of effective systems and controls designed to prevent, detect, and address any instances of bribery or unethical conduct.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Director's	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, as there were no cases of corruption and conflicts of interest which were reported during the year.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payable	49	60

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format.

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	2.04%	2.3%
	b. Number of trading houses where purchases are made from	7	9
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	2.2%
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	0.08%	3%
	b. Number of dealers / distributors to whom sales are made	13	94
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	97.93%	67%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.87%	3.10%
	b. Sales (Sales to related parties / Total Sales)	3.06%	2.51%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	54.28%	78.31%
	d. Investments ( Investments in related parties / Total Investments made)	18.31%	17.44%

**Leadership Indicator**

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1. Legal & Regulatory Compliance (Principle 1, 3, 6, 7) 2. Environmental Compliance (Principle 6)	35% of value chain partners, comprising BOM suppliers among the top 385 partners (by value of business conducted), were covered under the awareness programmes during the financial year.
2	Awareness Session on 9 principles of NGRBC, and 5 Ps of Sustainable Development.	75% of value chain partners, comprising manpower services, security services, housekeeping and canteen providers, were covered under the awareness programmes during the financial year.  <i>Note: The percentage has been calculated based on the number of value chain partners for these categories.</i>

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has processes in place to avoid/manage conflict of interests involving members of the Board. The Company has a detailed 'Code of Conduct for its Directors and Senior Management', which includes instructions and a reporting process for instances that can lead to a potential conflict of interest. The Policy is available on the website: [https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt\\_new.pdf](https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf)

## PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024–25 (Current Financial Year)	FY 2023–24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	0.34%	1.38%	<p>During the reporting period, the Company undertook several capital investments aimed at improving both environmental performance and social safety outcomes. These initiatives reflect our continued commitment to sustainable operations and responsible resource management.</p> <p>Key improvements include:</p> <ul style="list-style-type: none"> <li>• <b>STP and ETP Upgradation:</b> Upgrading these systems has enhanced the efficiency of wastewater treatment, ensuring compliance with environmental discharge norms and reducing water pollution risks.</li> <li>• <b>Reverse Osmosis Plant (Capacity: 2000 LPH):</b> Installation of this RO plant has improved water purification capacity, supporting safe and sustainable water use within the facility and reducing reliance on external water sources.</li> <li>• <b>Retrofit Emission Control Devices St for Diesel Generators:</b> The installation of Retrofit Emission Control Devices on diesel generators has significantly reduced particulate emissions, supporting cleaner air and alignment with regulatory air quality standards.</li> <li>• <b>Harris–Reg 653Z014 (Lockable) Gas Saver – 32 LPM:</b> This device enhances gas usage efficiency and safety during welding operations, reducing wastage and minimizing potential risks associated with gas handling.</li> <li>• <b>Modular ABC–10kgs Automatic Fire Extinguisher:</b> These automatic fire suppression units have been installed to improve workplace fire safety, ensuring quicker response to fire hazards and reducing risk to personnel and assets.</li> </ul> <p>These measures have contributed positively to our environmental footprint through better resource efficiency and emission control, while also enhancing the health and safety of our workforce and the communities in which we operate.</p>

Note: For the purpose of this disclosure, total capital expenditure (capex) investments made by the entity include both tangible and intangible assets.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)  

Yes, the Company has procedures in place for sustainable sourcing, wherein, the Company assesses the sustainability parameters of its vendors at the time of their onboarding.
  - If yes, what percentage of inputs were sourced sustainably?  

100% of inputs were sourced sustainably as assessed at the time of onboarding of suppliers.
- Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.  

As a manufacturer of components and automobile parts, the Company's products are supplied directly to OEMs in accordance with their specific technical requirements. As such, the scope for product reclamation at the end of life is limited, since the products are integrated into the OEMs' final assemblies. However, the Company has established processes to ensure the safe handling, recycling, and disposal of various waste streams, including plastics (such as packaging materials), e-waste, hazardous waste, and other operational waste, in compliance with applicable environmental regulations. Additionally, reusable packaging materials such as crates are regularly employed and circulated as part of the Company's commitment to resource efficiency and sustainability.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, EPR is not applicable to the Company's activities. However, we ensure that all waste generated from our operations is managed through Government-approved vendors in compliance with applicable waste management regulations

#### Leadership Indicator

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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The Company has not yet conducted the Life Cycle Perspective/ Assessments for any of its products. However, the Company is planning to carry out such assessments in the coming years.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable as currently, the Company is not conducting any Life Cycle Assessment for any of its products.		

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material*	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Allum Alloy	40%	-
Plastics and Woods scrap	-	8.64%
Other Scrap	-	5.04%

\*Excludes packaging material

- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable, as the Company supplies its products directly to the OEMs, therefore, there is limited scope for reclaiming it at the end of its life cycle.					
E-waste						
Hazardous waste						
Other waste						

- Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable, as the Company supplies its products directly to the OEMs, therefore, there is limited scope for reclaiming it at the end of its life cycle.	



**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F) / (A)
Permanent Employees											
Male	1,082	1,082	100%	1,082	100%	NA	NA	-	-	-	-
Female	62	62	100%	62	100%	62	100%	-	-	-	-
Total	1,144	1,144	100%	1,144	100%	62	100%*	-	-	-	-
Other than Permanent Employees											
Male	38	38	100%	38	100%	NA	NA	-	-	-	-
Female	6	6	100%	6	100%	6	100%	-	-	-	-
Total	44	44	100%	44	100%	6	100%*	-	-	-	-

\* Employees covered under maternity benefits is disclosed as % of only female Employees and not total Employees.

For Health insurance 100% coverage. Employees are covered under either Group Medical Claim Policy or Personal Health Policy or ESIC.

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F)/ (A)
Permanent workers											
Male	475	475	100%	475	100%	NA	NA	-	-	-	-
Female	26	26	100%	26	100%	26	100%	-	-	-	-
Total	501	501	100%	501	100%	26	100%*	-	-	-	-
Other than Permanent workers											
Male	59	59	100%	59	100%	NA	NA	-	-	-	-
Female	-	-	0%	-	0%	-	0%	-	-	-	-
Total	59	59	100%	59	100%	-	0%	-	-	-	-

\*Permanent Workers covered under maternity benefits is disclosed as % of only female workers and not total permanent workers.

For Health Insurance: 100% coverage. Workers are covered under either Group Medical Claim Policy or ESIC or Personal Health Insurance Policy.

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	<b>FY 2024-25 Current Financial Year</b>	<b>FY 2023-24 Previous Financial Year</b>
Cost incurred on well- being measures as a % of total revenue of the company*	0.0163%	0.0073%

\* Expenditure incurred on Health Checkups, Personal Accident Insurance and maternity benefits have been considered for the purpose of the aforesaid disclosure.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity*	100%	100%	Yes	100%	100%	Yes
ESI**	100%	100%	Yes	100%	100%	Yes
Others-National Pension Scheme (NPS)***	3.58%	NA	Yes	2.84%#	NA	Yes

\*Employees who have successfully completed 5 years of tenure are entitled for Gratuity benefits.

\*\* Applicable to employees as per the threshold limit prescribed under the Employees State Insurance Act, 1948.

\*\*\*Pertains to contribution made by employers for employees who have opted for the same.

# The previous year's figures have been revised or regrouped wherever necessary.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The premises / offices of the entity are largely accessible to differently abled employees and workers, barring some of the locations, where it is not practically possible. However, the Company is planning to improvise the current system in place.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016, which is available on the Company's Intranet.

5. Return to work and Retention rates of permanent employees and workers that took parental leave..

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male*	NA	NA	NA	NA
Female	0%	0%	0%	0%
<b>Total</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

\* For male employees and workers, the return-to-work and retention rates are not applicable, as the Company does not have a Paternity Leave Policy.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has a formal Grievance Redressal Committee and an established Grievance Redressal Policy to address concerns raised by employees and workers, including permanent, temporary, and contractual staff. Employees, and worker groups may raise their grievances to the Committee through a structured and confidential process, in line with the provisions of the Policy.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024–2025 (Current Financial Year)			FY 2023–2024 (Previous Financial Year)		
	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>1,144</b>	<b>-</b>	<b>0%</b>	<b>1,055</b>	<b>-</b>	<b>0%</b>
Male	1,082	-	0%	1,000	-	0%
Female	62	-	0%	55	-	0%
<b>Total Permanent Workers</b>	<b>501</b>	<b>-</b>	<b>42%</b>	<b>510</b>	<b>228</b>	<b>45%</b>
Male	475	209	44%	481	224	47%
Female	26	3	12%	29	4	14%

8. Details of training given to employees and workers:

Category	FY 2024–25 Current Financial Year					FY 2023–24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1,120	1,052	94%	797	71%	1,036	953	92%	701	68%
Female	68	57	84%	51	75%	64	52	81%	46	72%
Total Employees	1,188	1,109	93%	848	71%	1,100	1,005	91%	747	68%
Workers										
Male	534	497	93%	451	84%	533	487	91%	430	81%
Female	26	24	92%	23	88%	29	27	93%	25	86%
Total Workers	560	521	93%	474	85%	562	514	91%	455	81%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024–25 Current Financial Year			FY 2023–24 Previous Financial Year		
	Total (A)	No. (B)	% (B)/(A)	Total (C)	No.(D)	%(D)/ (C)
<b>Employees</b>						
Male	1,120	1,091	97%	1,036	995	96%
Female	68	64	94%	64	58	91%
<b>Total</b>	<b>1,188</b>	<b>1,155</b>	<b>97%</b>	<b>1,100</b>	<b>1,053</b>	<b>96%</b>
<b>Workers</b>						
Male	534	510	96%	533	508	95%
Female	26	24	92%	29	27	93%
<b>Total</b>	<b>560</b>	<b>534</b>	<b>95%</b>	<b>562</b>	<b>535</b>	<b>95%</b>

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, an Occupational Health and Safety Management System has been implemented across 24 out of 25 manufacturing plants of the Company, in accordance with the ISO 45001 standard. The implementation at the remaining unit (SKC Unit) is currently underway and is expected to be completed shortly. The system ensures proactive identification, assessment, and mitigation of occupational health and safety risks across the covered facilities.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company follows a well-defined Hazard Identification and Risk Assessment (HIRA) process in alignment with EHS standards and ISO 45001:2018. This process is used to routinely and systematically identify occupational health and safety hazards, as well as assess associated risks for both employees and workers.

HIRA involves the evaluation of both routine and non-routine activities through manual monitoring, as well as internal and external audits. It characterizes risks based on their likelihood, frequency, and severity, and assesses potential adverse outcomes, such as injuries or operational losses.

The insights from HIRA serve as a factual basis for implementing targeted risk mitigation measures and shaping the Company's overall workplace safety strategy, ensuring continuous improvement in health and safety performance.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company have defined processes in place at unit level for workers to report work-related hazards and to remove themselves from such risks, in accordance with the nature of operations.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees and workers of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

\*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is committed to providing a safe and healthy working environment for all its employees and workers. The Company has implemented several proactive measures to promote workplace safety and well-being, including:

- Regular safety training programs for employees and workers
- Periodic fire mock drills
- First-aid training sessions
- Health and safety awareness sessions of 10-minutes conducted on a regular basis during tea breaks
- Reporting and analysis of safety near-miss incidents
- Implementation of Poka-Yoke (error-proofing solutions to prevent future incidents)
- Conducting Root Cause Analysis (RCA) for incidents
- Continuous improvement initiatives through Quality Circles (QC) and Kaizen
- Annual observance of Safety Week to strengthen safety culture

13. Number of Complaints on the following made by employees and workers

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	48% of plants were assessed by statutory authorities and third parties.
Working Conditions	48% of plants were assessed by statutory authorities and third parties.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable, as there were no significant risks/concerns which have arisen from assessments of health and safety practices and working conditions.

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends life insurance and compensatory package in the event of an accidental death of employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company takes due care to ensure that the statutory dues applicable are deducted and deposited by the value chain partners. The Company's Supplier Code of Conduct outlines the specifics. To support business responsibility principles and ideals of transparency and accountability, all supply chain partners are required to adhere to it in every way. Some of the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by these value chain partners includes:

- Inspection of the GST portal as automated by the GST authorities to ensure GST payments.
- Periodic examination of the relevant forms and returns for ensuring tax related compliances.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company provides transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment on merits.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	BOM suppliers accounting for 50% of the total procurement value were assessed through audits for their health and safety practices and working conditions.
Working conditions	Additionally, 100% of the value chain partners providing manpower services, security services, housekeeping and canteen services were assessed on health and safety practices and working conditions.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable, as there were no significant risks / concerns which have arisen from assessments of health and safety practices and working conditions of value chain partners.

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key Stakeholders are identified as all the individuals, organizations and institutions who are connected with the Company and have material influence on the Company or how they are materially influenced by the Company's corporate decisions and the results of those decisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	<ul style="list-style-type: none"> <li>Emails</li> <li>Analyst meets and conference calls</li> <li>Annual General Meeting</li> <li>Official communication channels such as Newspaper publications, website etc.;</li> <li>Investor meeting</li> </ul>	Quarterly	To inform about Company's current performance and future plans.
Board of Directors and KMPs	No	<ul style="list-style-type: none"> <li>Board Meetings</li> <li>One-to-one meetings</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>Compliance of law</li> <li>Major decisions</li> <li>Day-to-day functioning</li> </ul>
Employees and Workers	No	<ul style="list-style-type: none"> <li>Emails</li> <li>Phone Calls</li> <li>Conferences</li> <li>Workshops</li> <li>Training Sessions</li> <li>Notice Boards</li> <li>One-to-one interaction</li> <li>Grievance Redressal Mechanism</li> </ul>	Frequently	Day to day activities/ conduct of business.



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/ Vendors	No	<ul style="list-style-type: none"> <li>Email</li> <li>Meetings</li> <li>Supplier Portal</li> </ul>	As and when required	<ul style="list-style-type: none"> <li><b>Price and Terms Negotiation:</b> Discussion on pricing and payment terms</li> <li><b>Delivery Coordination:</b> Alignment on delivery schedules and timelines.</li> <li><b>Quality Assurance:</b> Ensuring compliance with product quality and specifications.</li> <li><b>Contract Management:</b> Monitoring and enforcement of contractual obligations</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Email;</li> <li>SMS;</li> <li>Website;</li> <li>Meeting;</li> <li>Phone Calls;</li> <li>Feedback reports;</li> <li>Surveys etc.</li> </ul>	As and when required	Business discussion related to Quality, Cost, Delivery and Development Activities (QCCD)
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>Official communication channels</li> <li>Regulatory Audits/ Inspections</li> <li>Statutory Corporate Filings</li> <li>Environmental Compliances</li> <li>Good Governance</li> </ul>	As and when required	Regulatory and legal requirements
Communities	Yes	Community Meetings and in person visit by project representatives	Half yearly	Promote activities to raise awareness on green, safe and sustainable living, education, empowering communities for economic progress and inclusive prosperity.

#### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The consultation process between stakeholders and the Board on economic, environmental, and social topics begins with the identification and mapping of relevant stakeholders and ESG-related matters to appropriate business divisions.

Consultation is delegated to the Senior Leadership Team, which includes business heads and the Managing Director. The SLT engages regularly with key stakeholders such as investors, customers, suppliers, and employees and escalates significant inputs and concerns to the Board.

Additionally, the Company has constituted dedicated committees such as the Risk Management Committee, Stakeholder Relationship Committee, Grievance Redressal Committee and CSR Committee. These committees are responsible for reviewing and monitoring developments related to economic, environmental, and social topics, and they regularly update the Board and seek its guidance on strategic actions and responses.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company has maintained consistent and proactive contact with its key stakeholders, ensuring the identification and management of environmental and social needs of the community. Engaging with stakeholders aids in identifying community needs and promotes accountability, compliance, organizational learning, quality management, community support, and

sustainability within both the community and the organization. Based on the identified needs, the Company implements policies and initiatives to reach out to various stakeholders.

Please find below instances of stakeholder feedback being incorporated into policies and activities:

**A. Details of Instances of Stakeholder Feedback Incorporated into Policies and Activities:**

**- Access to Primary Healthcare Services**

As per community requirements and recommendations by the village panchayat, a Community Healthcare Center has been established at Begumpur Khatola, where a doctor provides OPD services and medicines to migrant workers and community members. Further, gynecological services have been introduced based on the identified needs.

**- Ensuring Nutrition for the Elderly**

During the implementation of the 'Adopt a Gran' project, a need was identified to support the nutritional requirements of the elderly. As a result, monthly grocery distributions were initiated, benefiting 32 elderly community members. Additionally, regular health check-ups were conducted to ensure their overall well-being.

**- Women Empowerment through Livelihood Diversification**

Under the Swabhimaan project, community women expressed the need for vocational training. In response, 70 women from the Dhaula Kuan community received training in stitching. They have since adopted it as a means of income generation, contributing to their economic empowerment. Additionally, 38 women received beautician training, enhancing their skill sets.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company is committed to supporting vulnerable and marginalized stakeholder groups through its various Corporate Social Responsibility (CSR) initiatives. The Company continuously endeavors to identify and address the concerns of such groups, and undertakes need-based interventions aimed at enhancing their socio-economic well-being.

For more details on the Company's engagement and initiatives, please refer to Annexure C 'Annual Report on CSR Activities' for FY 2024-25.

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-2025 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1,144	965	84%	1,055	870	82%
Other than permanent	44	41	93%	45	41	91%
<b>Total Employees</b>	<b>1,188</b>	<b>1,006</b>	<b>85%</b>	<b>1,100</b>	<b>911</b>	<b>83%</b>
<b>Workers</b>						
Permanent	501	490	98%	510	495	97%
Other than permanent	59	56	95%	52	49	94%
<b>Total Workers</b>	<b>560</b>	<b>546</b>	<b>98%</b>	<b>562</b>	<b>544</b>	<b>97%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>1,144</b>	<b>-</b>	<b>0%</b>	<b>1,144</b>	<b>100%</b>	<b>1,055</b>	<b>-</b>	<b>0%</b>	<b>1,055</b>	<b>100%</b>
Male	1,082	-	0%	1,082	100%	1,000	-	0%	1,000	100%
Female	62	-	0%	62	100%	55	-	0%	55	100%
<b>Other than permanent</b>	<b>44</b>	<b>-</b>	<b>0%</b>	<b>44</b>	<b>100%</b>	<b>45</b>	<b>-</b>	<b>0%</b>	<b>45</b>	<b>100%</b>
Male	38	-	0%	38	100%	36	-	0%	36	100%
Female	6	-	0%	6	100%	9	-	0%	9	100%
<b>Workers</b>										
<b>Permanent</b>	<b>501</b>	<b>-</b>	<b>0%</b>	<b>501</b>	<b>100%</b>	<b>510</b>	<b>-</b>	<b>0%</b>	<b>510</b>	<b>100%</b>
Male	475	-	0%	475	100%	481	-	0%	481	100%
Female	26	-	0%	26	100%	29	-	0%	29	100%
<b>Other than permanent</b>	<b>59</b>	<b>-</b>	<b>0%</b>	<b>59</b>	<b>100%</b>	<b>52</b>	<b>-</b>	<b>0%</b>	<b>52</b>	<b>100%</b>
Male	59	-	0%	59	100%	52	-	0%	52	100%
Female	-	-	0%	-	0%	-	-	0%	-	0%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / Wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Rs.)	Number	Median remuneration/ salary/ wages of respective category (in Rs.)
Board of Directors (BoD)*	6	6,12,500	3**	6,35,000
Key Managerial Personnel***	2	5,27,56,140.8	-	-
Employees other than BoD and KMP	1,118	9,47,899	68	8,17,578
Workers	534	3,79,531	26	2,58,294

\*Includes Non-Executive Directors only (including Independent Directors) who are paid only sitting fee and commission. Hence the median is calculated considering the same. Non-Executive Directors who were paid only sitting fees and resigned during the year have not been considered for this disclosure.

\*\* Include Independent Non-Executive Director, Smt. Aabha Bakaya, who was appointed on the Board of the Company on 08th August 2024.

\*\*\* The remuneration of the Managing Director, who also serves as the Chairman and Chief Executive Officer, has been considered in the calculation of the median remuneration of Key Managerial Personnel (KMP) including commission, and not in the calculation for the Board of Directors. (Calculations are done as per section 197(12) of the Companies Act, 2013).

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages*	4.59%	4.76%

\*The aforesaid calculations have been provided on the basis of Cost to the Company which includes perquisites as well.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)

Yes, the Company has a team of senior leaders responsible for addressing human rights impacts or issues caused or contributed to by the business. This team meets periodically to review and discuss such matters.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

To uphold honest and ethical business and employment practices, the Company considers respect for human rights as a core value. It is committed to providing a safe and inclusive work environment, regardless of an individual's ethnicity, gender, race, caste, religion, or other identity.

To support this commitment, the Company has established the following internal mechanisms to address grievances related to human rights issues:

- Code of Conduct for Employees
- POSH Policy
- Grievance Redressal Policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a comprehensive Grievance Redressal Policy and a Policy on Prevention of Sexual Harassment of Women at Workplace, both of which include specific provisions to protect complainants from any adverse consequences in cases of discrimination and harassment. These policies outline procedures to ensure that all concerns are handled with strict confidentiality and impartiality.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company's Code of Conduct for Suppliers and Contractors contains facets for human rights requirement.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	No such assessments were conducted during the Financial Year.
Forced/ Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others- please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA.

## Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Not Applicable, as no grievances/complaints were received with respect to human rights during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

While the Company does not conduct direct human rights due diligence as a separate exercise, relevant aspects are indirectly addressed through the Human Rights Policy of the Company. During the year, the internal audit process covered several areas related to human rights across the Company plants in alignment with the policy.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The premises / offices of the entity are largely accessible to differently abled visitors, barring some of the locations, where it is not practically possible. However, the Company is planning to improvise the current system in place.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	All upstream value chain partners are required to acknowledge and comply with the Company's Supplier Code of Conduct, which explicitly prohibits sexual harassment, workplace discrimination, child labour, forced or involuntary labour, and ensures fair wage practices. 100% of the partners are assessed for compliance with these principles during the onboarding process. Periodic reviews and audits are also undertaken, as necessary, to monitor ongoing adherence.
Discrimination at workplace	
Child labour	
Forced/ Involuntary labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Based on the assessments referenced in Question 4 above, no significant risks or concerns were identified. As a result, no corrective actions are currently required or underway.

The organization remains committed to continuous monitoring of all relevant processes to ensure ongoing compliance and the early detection of any emerging risks.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>From Renewable sources</b>		
Total electricity consumption (A) (In Giga Joules)	10,808.40	8,303.57
Total fuel consumption (B) (In Giga Joules)	-	-
Energy consumption through other sources (C) (In Giga Joules)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>10,808.40</b>	<b>8,303.57</b>
<b>From Non-Renewable sources</b>		
Total electricity consumption (D) (In Giga Joules)	2,39,014.80	2,16,151.20
Total fuel consumption (E) (In Giga Joules)	24,305.30	22,639.00
Energy consumption through other sources (F) (In Giga Joules)	-	-
<b>Total energy consumed from non- renewable sources (D+E+F)</b> (In Giga Joules)	<b>2,63,320.10</b>	<b>2,38,790.20</b>
<b>Total energy consumed (A+B+C+D+E+F)</b> (In Giga Joules)	<b>2,74,128.50</b>	<b>2,47,093.77</b>

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Energy intensity per rupee of turnover</b> (Total Revenue from operations)	0.000009	0.000010
<b>Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP*)	0.000194	0.00021
<b>Energy intensity in terms of physical output -</b> Total energy consumption in Giga Joules/ production of finished goods in Metric Tonnes	1.73	1.62
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

\* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.66 as per the 2025 update.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as the Company does not have any sites / facilities identified as DCs under the PAT Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	1,24,769.81	1,00,443.00
(iii) Third party water	1,24,682.86	71,670.00
(iv) Seawater/Desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,49,452.67</b>	<b>1,72,113.00</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>1,79,460.71</b>	<b>1,24,702.00</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	0.000006	0.000005
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.000127	0.000103
<b>Water intensity in terms of physical output -</b> Total water consumption in Kilolitres/ production of finished goods in Metric Tonnes	1.14	0.82
<b>Water intensity (optional) -</b> the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No



4. Provide the following details related to water discharged

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface Water	69,991.96	47,411
No treatment	-	-
With treatment (please specify level of treatment)	As per State Pollution Control Board (SPCB)/ Central Pollution Control Board (CPCB) Guidelines, wastewater generated is treated in STP	As per SPCB / CPCB Guidelines, wastewater generated is treated in STP.
<b>(ii) To Ground Water</b>	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
<b>(iii) To Seawater</b>	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
<b>(iv) Sent to third parties</b>	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
<b>(v) Others</b>	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
<b>Total water discharge (in kilolitres)</b>	<b>69,991.96</b>	<b>47,411</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

While the Company does not currently hold formal ZLD certification, it recognizes the importance of responsible water management across its operations. The Company is committed to enhancing water-use efficiency and ensuring equitable access to water for all stakeholders within and around its operational areas.

The Company has implemented ZLD-compliant systems in four of its major units, which include the use of Rotary Evaporators and Solar Evaporators to minimize liquid discharge. In other units, ETP and STP have been installed to treat wastewater. The treated water is reused for gardening and other non-potable applications, thereby reducing freshwater dependency and promoting sustainable water practices.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	MT	0.04321	0.05599
Sox	MT	0.02843	0.03071
Particulate matter (PM)	MT	0.00024	0.00033
Persistent organic pollutants (POP)	MT	NA	NA
Volatile organic compounds (VOC)	MT	NA	NA
Hazardous air pollutants (HAP)	MT	NA	NA
Others-please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	11,297.61	4,506
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	45,430.58	48,634.02
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	0.000002	0.000002
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.000004	0.000004
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b> (Total Scope 1 and Scope 2 GHG emissions / production of finished goods in Metric Tonnes)		0.36	0.35
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) - the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company has implemented multiple initiatives aimed at reducing greenhouse gas (GHG) emissions. These initiatives are part of the Company's broader commitment to sustainability and environmental responsibility. Key projects include:

- **Solar Power Integration**

Installation of solar energy systems across various operational units to harness renewable energy and reduce dependency on fossil fuel-based electricity.

- **Installation of Retrofit Emission Control Devices**

Deployment of Retrofit Emission Control Devices in diesel generator sets to reduce air emissions and improve the environmental performance of backup power systems.

- **Adoption of Variable Frequency Drives (VFD)**

Implementation of VFDs in air compressors, particularly in utility areas like wastewater treatment systems, to enhance energy efficiency and lower electricity consumption.

- **Installation of IE-3 Energy-Efficient Motors**

Replacement of conventional motors with IE-3 class energy-efficient motors to optimize energy use and contribute to indirect GHG reduction.

- **Installation of LED Lighting**

Transition to LED lighting across all units to reduce energy consumption associated with lighting infrastructure.

These initiatives collectively support the organization's efforts to mitigate climate change impacts by actively reducing GHG emissions through energy efficiency and cleaner energy sources.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	270.99	595.24
E-waste (B)	-	0.20
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	10	-
Battery waste (E)	0.05	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) (ETP sludge, hydraulic oil, paint sludge)	367.48	340.36

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Other Non-hazardous waste generated (H). Please specify, if any. (Waste paper, drum, board, wood, furniture etc.)	552.5	457.76
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>1,201.02</b>	<b>1,393.56</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.00000004	0.00000005
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.00000009	0.00000103
<b>Waste intensity in terms of physical output</b> - Total waste generated in Metric Tonnes/ production of finished goods in Metric Tonnes	0.0076	0.0091
<b>Waste intensity</b> (optional) - the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	37.59
(iii) Other recovery operations	-	-
<b>Total</b>	<b>-</b>	<b>37.59</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>	-	-
(i) Incineration	-	-
(ii) Landfilling	10	-
(iii) Other disposal operations	1,190.42	1,355.77
<b>Total</b>	<b>1,200.42</b>	<b>1,355.77</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has adopted a structured waste management policy that emphasizes segregation at source and promotes a hierarchy of practices aligned with circular economy principles namely, Recover, Reduce, Reuse, and Recycle. The key waste management practices implemented across the Company's establishments include:

- Waste prevention
- Reusing waste where practicable
- Recycling of materials
- Responsible and compliant disposal

To support these practices, the Company continuously seeks to recover resources, minimize the use of natural inputs, and adopt low-impact, cost-effective solutions that drive both environmental and operational efficiencies.

With regard to hazardous waste, the Company ensures full compliance with applicable regulations issued by the SPCB and CPCB. All hazardous materials are handled, stored, transported, and disposed of through licensed agencies, with proper documentation maintained to track their movement and disposal.

For non-hazardous waste, the Company has implemented innovative, low-investment solutions aimed at minimizing environmental impact. For example, recycled cardboard boxes are now used as fillers in packaging to reduce dependence on wooden pallets. Additionally, initiatives such as the use of reusable pallets and ongoing recycling programs for paper and plastic are part of the Company's broader strategy to reduce waste generation and promote resource conservation.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
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Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant web link
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No environmental impact assessment of projects was undertaken by the Company during the current Financial Year. Hence, this requirement is not applicable.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with all the applicable environmental laws/ regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Not Applicable, since there is no non-compliance with the applicable environmental laws/ regulations / guidelines in India.

### Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Gurugram, Bawal, Jaipur, Pathredi (Tijara), Bengaluru
- Nature of operations: Manufacturing of auto components.
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	83,990.96	60,390.00
(iii) Third party water	40,584.86	47,440.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>1,24,575.82</b>	<b>1,07,830.00</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>86,781.28</b>	<b>86,510.00</b>
Water intensity per rupee of turnover (Water consumed / turnover)	0.000003	0.000003
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	37,794.54	21,320.00
- No treatment	-	-
- With treatment – please specify level of treatment	As per SPCB / CPCB Guidelines, waste water generated is treated in STP.	As per SPCB / CPCB Guidelines, waste water generated is treated in STP.
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>37,794.54</b>	<b>21,320.00</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Scope-3 emissions are not considered by the Company presently. The Company is in the process of laying down the roadmap in the near future.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Solar Power Integration	Some part of the electricity comes from solar systems installed across various units, contributing to renewable energy use.	Reduction in carbon footprint by 2,212.24 MT of CO <sub>2</sub> e through solar energy utilization.
2	Installation of Retrofit Emission Control Devices	The Company is installing Retrofit Emission Control Devices in all the DG sets which will help the Company in reducing its air emissions and in improving the overall environmental impact.	Reduction in air pollution by 70%.
3	Adoption of Variable Frequency Drives (VFD)	Adoption of VFD for air compressors to enhance energy efficiency and reduce power consumption In ETP/STP .	Saved 5,502.06 KWH of energy consumption annually with a corresponding reduction of 4 MT of CO <sub>2</sub> e.
4	Installation of ETP and Ultra filtration in STP	Installation of ETP recycling units to conserve water resources and minimize wastewater discharge	Reduced freshwater usage
5	Installation of LED Lighting	Installation of LED lights across all units to reduce energy consumption and enhance lighting efficiency	Saving in energy consumption.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has a Business Continuity Policy, available on the Company's Intranet. The Policy aims to ensure that all business activities are maintained at normal or near-normal performance levels following any disruptive incident. It focuses on minimizing impacts on human life, environment, economic losses, and stakeholders.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse environmental impacts have been identified within the Company's upstream value chain, based on periodic assessments of sourcing suppliers. As part of the Company's commitment to environmental sustainability, all suppliers are required to acknowledge and comply with the Supplier Code of Conduct, which includes adherence to applicable environmental regulations. Furthermore, suppliers are encouraged to embed and promote these principles within their own supply chains. While no major impacts have been observed, The Company continues to monitor supplier practices and is prepared to implement mitigation or adaptation measures as necessary.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
- BOM suppliers accounting for 50% of the total procurement value were assessed through audits for their environmental impact.
8. How many Green Credits have been generated or procured:
- By the listed entity  
No Green Credits have been generated or procured by the listed entity during the reporting period.
  - By the top ten (in terms of value of purchases and sales, respectively) value chain partners  
According to SEBI's Circular issued on 28 March 2025, Green Credits has been identified as a new non-mandatory leadership indicator. The Company is committed to incorporate this in Value Chain Partners disclosures from FY 2025–26 onwards, in line with SEBI's guidelines.

## PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

- Number of affiliations with trade and industry chambers/ associations: 7
  - List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Automotive Component Manufacturers Association (ACMA)	National
3	Gurgaon Industrial Association (GIA)	State
4	Quality Circle Forum of India (QCFI)	National
5	National Safety Council (NSC)	National
6	Industrial Park-IV	State
7	Attibele Industrial Association (AIA)	State

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable, since the Company has not received any adverse order from any regulatory authorities on any issues relating to anti-competitive conduct.		

### Leadership Indicators

- Details of public policy positions advocated by the entity:

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
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The Company does not engage in influencing regulatory policy. However, the Company practices proactive advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. The Company believes in adopting best practices and using the common platforms like ACMA, CII and other business forums for the purpose.

The Company engages with all the stakeholders including customers and investors. Its endeavour is to actively seek their opinions and share its perspectives, fostering two-way communication, including accepting the best of the industry practices to make the Company a better place to work.

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year..

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable, as there were no projects that required SIA as per the law in the current Financial Year.



2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Not Applicable, as there were no projects requiring R&R.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has designated representatives who engage with the local communities at regular and need-based intervals. Feedback and suggestions received during these interactions are duly acknowledged and addressed in a timely and appropriate manner.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs/ small producers	51%	57%
Directly from within India	98%	83.6%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	0.00%	4.37%
Semi-Urban	15.88%	22.19%
Urban	50.12%	42.32%
Metropolitan	34.00%	31.12%

Note: The aforesaid calculations have been provided on the basis of Cost to the Company which includes perquisites as well.

#### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable, as there were no projects that required SIA based on applicable laws in the current Financial Year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
The Company has not undertaken any CSR projects in designated aspirational districts as identified by government bodies during the current Financial Year.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)  
No, as of now, the Company does not have a preferential procurement policy, where it gives preference to purchase from suppliers comprising marginalized/vulnerable groups.
- (b) From which marginalized /vulnerable groups do you procure?  
NA.
- (c) What percentage of total procurement (by value) does it constitute?  
NA.
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education	900	100%
2	Health Care	18,860	100%
3	Skill Development & Vocational Training	108	100%

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company obtains customer assessment and feedback through specified platforms as per the Company's Policy on a regular basis to identify the areas of concern reported. In order to improve customer satisfaction, remedial measures are therefore devised and put into action. To access the overall business objectives, top management compiles, monitors and reviews the success of the actions at predetermined intervals.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since, the Company operates in the B2B segment, supplying its products directly to OEMs, therefore the Company's products do not reach the end consumers directly, henceforth, these requirements are not directly applicable to the Company.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	The Company has not received any consumer complaints with respect to data privacy, advertising, cyber-security, delivery of essential services, restrictive trade practices, unfair trade practices.		
Advertising	-	-	-			
Cyber-security	-	-	-			
Delivery of essential services	-	-	-			
Restrictive Trade Practices	-	-	-			
Unfair Trade Practices	-	-	-			
Other (Technical Complaints)	1,361	-	-	488*	-	-

\*The previous year's figures have been revised or regrouped wherever necessary.

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	-	NA
Forced recalls	-	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a Policy on Cyber Security and risks related to data privacy, which can be accessed at Company's Intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as neither any complaints with respect to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls were received during the reporting period nor any penalties were paid to, or actions were taken by regulatory authorities on account of safety of products/services.

7. Provide the following information relating to data breaches:

A. Number of instances of data breaches	No instances of data breaches were identified during the current Financial Year.
B. Percentage of data breaches involving personally identifiable information of customers	Not Applicable, as no instances of data breaches were identified during the current Financial Year.
C. Impact, if any, of the data breaches	Not Applicable, as no instances of data breaches were identified during the current Financial Year.

#### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on products and services of the Company can be accessed at the Company's website:  
<https://sandhargroup.com/products>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As the Company primarily supplies its products directly to OEMs, who in turn assemble and market the final products to end-user customers, its direct role in informing or educating end-users about the safe and responsible usage of its products remains limited.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company does not directly provide essential services. However, the Company remains committed to minimizing any potential disruptions that could affect its customers' operations. Regular and proactive communication channels are maintained with customers to ensure timely updates and necessary support, thereby helping to mitigate risks related to any potential disruptions.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable, as the Company supplies its products to OEMs, where its products are used as components or raw materials in the OEMs' finished goods.

The Company has not conducted any formal survey regarding consumer satisfaction relating to its major products, services, or significant locations of operation. However, the Company maintains regular engagement with its customers through various feedback mechanisms and incorporates the inputs received to continuously improve its products and services.

# Independent Auditor’s Report

## To the Members of Sandhar Technologies Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Sandhar Technologies Limited (the “Company”) which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
See Note 17 to standalone financial statements	
The key audit matter	How the matter was addressed in our audit
The Company’s revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Company and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognised before the control has been transferred.	In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence:
	a. We assessed the appropriateness of the Company’s accounting policies for revenue recognition by comparing with applicable accounting standard.
	b. We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.
	c. Using statistical sampling basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately when control is transferred.
	d. We tested on a sample basis specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred.
	e. We scrutinized journal entries related to revenue recognised during the year based upon specified risk-based criteria, to identify unusual or irregular items.
	f. We assessed the adequacy of the disclosures in accordance with the relevant accounting standard.

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**Impairment assessment of investments in subsidiaries and joint ventures**

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**See Note 6A to standalone financial statements****The key audit matter**

As at 31 March 2025, the Company has non-current investments in subsidiaries and joint ventures (collectively “the investments”) aggregating to INR 27,664.15 lacs

The investments are assessed for impairment periodically in accordance with the requirements of Ind AS 36 “Impairment of Assets”. The impairment assessment involves significant judgements and estimates in assessing the recoverable value.

The recoverable value is considered to be Company’s assessment of the value in use.

In view of the significance of these investments and involvement of judgements and estimates, we consider impairment assessment of investments in subsidiaries and joint ventures as a key audit matter.

**How the matter was addressed in our audit**

In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence:

- a. We evaluated the design, implementation and operating effectiveness of key internal controls over impairment of investments.
  - b. We have assessed the indicators of impairment in these investments based on consideration of external and internal factors affecting the value and performance of the investments.
  - c. We obtained management assessment of recoverable amount for investments where impairment risk is identified and performed following:
    - Assessed the method of determining value in use and key assumptions used therein through historical information, budgets / projections, and other relevant information.
    - Challenged the key assumptions within the build-up and methodologies used by the Company.
    - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
    - Involved our internal specialists to assist us in performing above mentioned procedures relating to value in use calculation for specific investments.
  - d. We assessed the adequacy of disclosures made in the standalone financial statements, as required by relevant accounting standard.
- 

**Other Information**

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor’s report(s) thereon. The annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

**Management’s and Board of Directors Responsibilities for the Standalone Financial Statements**

The Company’s Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law

or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its



financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 43 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 43 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 9 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for

the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- (a) In the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of service organisation, we are unable to comment whether audit trail feature of accounting software operated by third-party service provider was enabled and operated throughout the year for all relevant transactions recorded in the accounting software used for maintaining general ledger at the database level.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**Deepesh Sharma**

Partner

Place: Gurugram

Membership No.: 505725

Date: 22 May 2025

ICAI UDIN: 25505725BMLESU2005

# Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Sandhar Technologies Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in a period of two years. In accordance with this programme, all property, plant and equipment were verified during the year ended 31 March 2024. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land: Plot no. 44– Sector-3, IMT, Manesar, Gurgaon	317.77	Adeep Roloforms Limited	No	28.12.2005	Refer note no 3B to the standalone financial statements.
Building: Plot no 44–Sector-3, IMT Manesar, Gurgaon	411.08	Adeep Roloforms Limited	No	28.12.2005	Refer note no 3B to the standalone financial statements.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees and made investments, provided guarantees and granted loans to companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to entities as below:

Particulars	Guarantees (In Rs. lakhs)	Loans (In Rs. lakhs)
Aggregate amount during the year		
a) Subsidiaries and Joint Ventures*	15,498	3,062
b) Others (employees)	-	31
Balance outstanding as at balance sheet date		
a) Subsidiaries and Joint Ventures*	40,335	2,775
b) Others (employees)	-	35

\*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(l) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. in lakhs)*	Amount paid under dispute
Income Tax Act, 1961	Income Tax	AY 2015-16 to AY 2016-17	Income Tax Appellate Tribunal (ITAT)	14.29	-
Income Tax Act, 1961	Income Tax	AY 2015-16, AY 2016-17, AY 2018-2019 and AY 2020-21	Commissioner of Income tax (A)- LTU	27.62	-
Income Tax Act, 1961	Income Tax	AY 2017-18	Commissioner of Income tax (A)- LTU	12.92	-
Income Tax Act, 1961	Income Tax	AY 2023-24	Income Tax Department - CPC	28.48	-
Finance Act, 1994 Service tax	Service Tax	FY 2005-06	Assistant Commissioner, Central Excise	1.18	-
Finance Act, 1994 Service Tax	Service Tax	FY 2016-17	Commissioner (Appeal) Central Goods and Services Tax, Gurugram	6.92	-
Finance Act, 1994 Service Tax	Service Tax	FY 2017-18	Supdt Central Goods and Services Tax, Gurugram	3.62	-

Name of the statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. in lakhs)*	Amount paid under dispute
Finance Act, 1994 Service Tax	Service Tax	FY 2006–07	Assistant Commissioner, Central Excise	2.11	-
Finance Act, 1994 Service Tax	Service Tax	FY 2016–17	Assistant Commissioner, Central Excise	1.30	-
Finance Act, 1994 Service Tax	Service Tax	FY 2009–10	Dy. Commissioner, Central Excise LTU Delhi	0.50	-
Finance Act, 1994 Service Tax	Service Tax	February- 2004 to November- 2011	Commissioner, Joint Commissioner and Deputy Commissioner, Central Excise	33.85	-
Customs	Customs	FY 2015–16	Custom Authority	6.94	-
Duty on import of goods	Duty on Import of goods	And FY 2016–17	Garhi Harsaru, Gurugram, Haryana		-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017–18	Superintendent Central goods and Services Bangalore	0.97	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019–20	Assistant CommissionerCGS T Haridwar	175.38	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019–20	Superintendent Central goods and Services Haridwar	0.64	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019–20	Assistant CommissionerGST	30.25	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019–20	Assistant CommissionerGST	479.56	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017–18, to 2019–20	Assistant Commissioner GST	35.57	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017–18	Assistant Commissioner GST	50.09	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017–18	Assistant CommissionerGST	3.84	-

Amount as per demand orders including interest and penalties , wherever indicated in the demand orders

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanation given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture. The Company does not have any associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. The Company does not have any associate as defined under the Act.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Deepesh Sharma**  
Partner

Place: Gurugram  
Date: 22 May 2025

Membership No.: 505725  
ICAI UDIN: 25505725BMLESU2005



# Annexure B to the Independent Auditor's Report

on the standalone financial statements of Sandhar Technologies Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

We have audited the internal financial controls with reference to financial statements of Sandhar Technologies Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on

the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

## Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Deepesh Sharma**

Partner

Place: Gurugram

Date: 22 May 2025

Membership No.: 505725

ICAI UDIN:25505725BMLESU2005



# Standalone Balance Sheet as at 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	61,889.87	59,708.94
Capital work-in-progress	3A	3,948.73	4,344.40
Goodwill	5	552.35	552.35
Other intangible assets	5	2,014.75	1,681.43
Intangible assets under development	3A	358.87	1,182.99
Right-of-use assets	4	4,827.21	5,498.65
Financial assets			
- Investments	6A	27,858.01	23,092.64
- Loans	6B	-	3,625.00
- Other financial assets	6F	1,685.37	1,187.72
Income-tax assets (net)	8B	361.67	411.76
Other non-current assets	8A	426.65	597.29
<b>Total non-current assets</b>		<b>103,923.48</b>	<b>101,883.17</b>
<b>Current assets</b>			
Inventories	7	21,785.21	17,838.11
Financial assets			
- Trade receivables	6C	46,798.83	40,243.22
- Cash and cash equivalents	6D	3,061.53	30.14
- Other bank balances	6E	2.72	72.25
- Loans	6B	2,809.45	1,708.03
- Other financial assets	6F	542.84	176.05
Other current assets	8	3,529.53	2,304.15
		<b>78,530.11</b>	<b>62,371.95</b>
<b>Assets held for sale</b>	3C	3,369.88	83.09
<b>Total current assets</b>		<b>81,899.99</b>	<b>62,455.04</b>
<b>Total assets</b>		<b>185,823.47</b>	<b>164,338.21</b>
Equity and liabilities			
<b>Equity</b>			
Equity share capital	9	6,019.07	6,019.07
Other equity	10	108,636.24	96,744.80
<b>Total equity</b>		<b>114,655.31</b>	<b>102,763.87</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	11	5,343.75	9,031.25
- Lease liabilities	13	1,960.79	2,496.87
- Other financial liabilities	13	1,719.85	-
Deferred tax liabilities (net)	16	48.00	313.00
<b>Total non current liabilities</b>		<b>9,072.39</b>	<b>11,841.12</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	11	20,129.84	8,666.59
- Lease liabilities	13	774.82	813.57
- Trade payables	12		
● total outstanding dues of micro enterprises and small enterprises; and		9,731.71	9,896.58

# Standalone **Balance Sheet** as at 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
● total outstanding dues of creditors other than micro enterprises and small enterprises		23,023.39	23,519.72
- Other financial liabilities	13	3,001.93	2,672.30
Other current liabilities	14	3,789.72	1,914.42
Current tax liabilities	15	112.28	1,016.45
Provisions	15	1,532.08	1,233.59
<b>Total current liabilities</b>		<b>62,095.77</b>	<b>49,733.22</b>
<b>Total equity and liabilities</b>		<b>185,823.47</b>	<b>164,338.21</b>

Material accounting policies

2

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

For B S R & Co. LLP  
Chartered Accountants  
ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No. 505725

**Jayant Davar**  
Chairman, Managing Director and  
Chief Executive Officer  
DIN: 00100801

**Yashpal Jain**  
Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Archana Capoor**  
Director  
DIN: 01204170

**Aabha Bakaya**  
Director  
DIN: 05131734

Place: Gurugram  
Date : 22 May 2025

Place: Gurugram  
Date : 22 May 2025

# Standalone Statement of Profit and Loss for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>REVENUE</b>			
Revenue from operations	17	291,303.56	271,566.55
Other income	18	2,324.43	1,167.19
<b>Total income (I)</b>		<b>293,627.99</b>	<b>272,733.74</b>
<b>EXPENSES</b>			
Cost of raw materials and components consumed	19	196,280.14	183,429.13
Changes in inventories of finished goods and work-in-progress	20	(1,645.08)	(15.78)
Employee benefits expense	21	33,777.13	31,554.45
Finance costs	24	2,048.86	1,378.65
Depreciation and amortization expense	22	9,686.19	8,977.19
Other expenses	23	35,170.80	31,422.12
<b>Total expenses (II)</b>		<b>275,318.04</b>	<b>256,745.76</b>
<b>Profit before exceptional item and tax ( III = I – II )</b>		<b>18,309.95</b>	<b>15,987.98</b>
Exceptional item	25	304.33	(555.95)
<b>Profit before tax (IV)</b>		<b>18,614.28</b>	<b>15,432.03</b>
<b>Tax expense</b>	28		
Current tax		4,877.86	4,532.47
Deferred tax		(226.29)	(325.56)
<b>Total tax expense (V)</b>		<b>4,651.57</b>	<b>4,206.91</b>
<b>Profit for the year ( VI = IV – V )</b>		<b>13,962.71</b>	<b>11,225.12</b>
<b>Other comprehensive income (VII)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement (loss)/ gain on defined benefit liabilities	26	(153.78)	212.80
Income tax relating to re-measurement (loss)/ gain on defined benefit liabilities		38.71	(53.56)
<b>Other comprehensive (loss)/ income for the year (net of tax)</b>		<b>(115.07)</b>	<b>159.24</b>
<b>Total comprehensive income for the year ( VIII = VI – VII )</b>		<b>13,847.64</b>	<b>11,384.36</b>
<b>(Comprising profit and other comprehensive (loss)/ income for the year)</b>			
<b>Earnings per equity share:</b>			
(1) Basic-Par value of Rs. 10 per share	27	23.20	18.65
(2) Diluted-Par value of Rs. 10 per share		23.20	18.65

Material accounting policies

2

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**

Partner

Membership No. 505725

For and on behalf of the Board of Directors of

**Sandhar Technologies Limited**

**Jayant Davar**

Chairman, Managing Director and  
Chief Executive Officer

DIN: 00100801

**Archana Capoor**

Director

DIN: 01204170

**Yashpal Jain**

Chief Financial Officer and  
Company Secretary

M.No. A13981

**Aabha Bakaya**

Director

DIN: 05131734

Place: Gurugram

Date : 22 May 2025

Place: Gurugram

Date : 22 May 2025

# Standalone Statement of **Changes in Equity** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## A. Equity share capital:

Particulars	Note	Equity Shares	
		No. of shares	Amount
Balance as at 1 April 2023	9	60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2024		60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2025		60,190,708	6,019.07

## B. Other equity

Particulars	Reserves and Surplus (1)			Items of other comprehensive income (2)	Total
	Retained earnings	Securities premium	Capital reserves	Remeasurements of defined benefit liabilities	
Balance as at 1 April 2023	56,588.31	27,859.67	2,653.66	(236.43)	86,865.21
<b>Total Comprehensive income for the year ended 31 March 2024</b>					
Profit for the year	11,225.12	-	-	-	11,225.12
Other comprehensive income (net of tax)	-	-	-	159.24	159.24
Transactions with shareholders, recorded directly in the equity					
Final dividend on equity shares	(1,504.77)	-	-	-	(1,504.77)
Balance as at 31 March 2024	66,308.66	27,859.67	2,653.66	(77.19)	96,744.80
<b>Total Comprehensive income for the year ended 31 March 2025</b>					
Profit for the year	13,962.71	-	-	-	13,962.71
Other comprehensive loss (net of tax)	-	-	-	(115.07)	(115.07)
Transactions with shareholders, recorded directly in the equity					
Final dividend on equity shares	(1,956.20)	-	-	-	(1,956.20)
Balance as at 31 March 2025	78,315.17	27,859.67	2,653.66	(192.26)	108,636.24

Notes:

1. Refer Note 10 for nature and purpose of other equity.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**

Partner

Membership No. 505725

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

**Jayant Davar**

Chairman, Managing Director and  
Chief Executive Officer  
DIN:00100801

**Yashpal Jain**

Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Archana Kapoor**

Director  
DIN: 01204170

**Aabha Bakaya**

Director  
DIN: 05131734

Place: Gurugram  
Date : 22 May 2025

Place: Gurugram  
Date : 22 May 2025

# Standalone Statement of Cash Flows for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A Cash flows from operating activities</b>		
<b>1 Profit before tax</b>	18,614.28	15,432.03
<b>2 Adjustments for :</b>		
Depreciation and amortization expense	9,686.19	8,977.19
(Reversal)/ Impairment losses on financial assets	(304.33)	555.95
Profit on sale of property, plant and equipment	(628.00)	(95.95)
Provision for doubtful debts and advances	16.23	1.20
Unrealised foreign exchange (gain)/ loss	(2.94)	2.53
Finance costs	2,048.86	1,378.65
Interest income on security deposits measured at amortised cost	(91.52)	(54.84)
Gain on investments carried at fair value through profit or loss	(31.62)	(50.13)
Interest income	(643.54)	(277.78)
Dividend income	-	(11.99)
<b>3 Operating profit before working capital changes (1+2)</b>	<b>28,663.61</b>	<b>25,856.86</b>
<b>4 Movements in working capital:</b>		
Increase in trade receivables	(6,571.85)	(10,943.88)
Increase in inventories	(3,947.10)	(1,341.15)
Decrease/ (Increase) in long-term loans and advances	2,625.00	(3,625.00)
Increase in financial assets	(2,502.06)	(172.64)
Increase in other current assets	(1,225.38)	(110.34)
(Decrease)/ Increase in trade payables	(658.27)	7,969.73
Decrease in current provisions	(900.18)	(158.81)
Increase/ (Decrease) in other financial liabilities	3,124.23	(37.49)
Increase/ (Decrease) in other current liabilities	1,875.30	(66.62)
<b>Total movement in working capital</b>	<b>(8,180.31)</b>	<b>(8,486.20)</b>
<b>5 Cash generated from operations (3+4)</b>	<b>20,483.30</b>	<b>17,370.66</b>
<b>6 Income tax paid (net)</b>	<b>4,687.02</b>	<b>3,502.83</b>
<b>7 Net cash generated from operating activities (5-6)</b>	<b>15,796.28</b>	<b>13,867.83</b>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment, capital work in progress and other intangible assets	(14,010.50)	(12,480.06)
Proceeds from sale of property, plant and equipment	922.79	303.75
Investment in equity shares of wholly owned subsidiaries	(3,600.00)	(4,027.05)
Changes in bank deposits	168.92	(9.46)
Dividend income	-	11.99
Interest received	754.96	323.83
<b>Net cash used in investing activities</b>	<b>(15,763.83)</b>	<b>(15,877.00)</b>
<b>C Cash flows from financing activities</b>		
Repayment of long-term borrowings	(2,812.50)	(2,625.00)
Proceeds from long-term borrowings	-	3,500.00
Proceeds from short-term borrowings (net)	10,588.24	4,810.29
Payment of lease liabilities	(849.70)	(755.09)
Interest paid on lease liabilities	(247.62)	(241.41)
Dividend paid	(1,956.20)	(1,504.77)
Finance costs paid	(1,723.28)	(1,157.89)
<b>Net cash generated from financing activities (C)</b>	<b>2,998.94</b>	<b>2,026.13</b>
<b>D Net increase in cash and cash equivalents (A+B+C)</b>	<b>3,031.39</b>	<b>16.96</b>
<b>E-1 Cash and cash equivalents as at the beginning of year</b>	<b>30.14</b>	<b>13.18</b>

# Standalone Statement of **Cash Flows** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

E-2	Cash and cash equivalents as at end of the year	3,061.53	30.14
	<b>Cash and cash equivalents include</b>		
	Balances with banks:		
	– In current accounts	3,049.23	12.66
	– Cash on hand	12.30	17.48
	<b>Cash and cash equivalents at the end of the year</b>	<b>3,061.53</b>	<b>30.14</b>
	<b>Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:</b>		
	Particulars	<b>Non – current borrowings*</b>	<b>Current borrowings</b>
	Opening balance as at 1 April 2024	11,922.40	5,791.59
	Cash flows during the year	(2,763.61)	10,588.24
	Non-cash changes:	-	-
	<b>Closing balance as at 31 March 2025</b>	<b>9,158.79</b>	<b>16,379.83</b>

\*Includes current maturities of non-current borrowings and interest accrued thereon, refer Note 13.

For lease liabilities, refer Note 34.

## Notes:

1. The Standalone Statement of Cash Flows has been prepared in accordance with “Indirect Method” as set out on Indian Accounting Standard -7 “Statement of Cash Flows”.
2. Refer Note 2 for material accounting policies.
3. The Company paid in cash Rs. 243.35 Lacs for the year ended 31 March 2025 and Rs. 198.70 Lacs for the year ended 31 March 2024 towards Corporate Social Responsibility (CSR) expenditure.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

For and on behalf of the Board of Directors of

**Sandhar Technologies Limited**

**Deepesh Sharma**

Partner

Membership No. 505725

**Jayant Davar**

Chairman, Managing Director and

Chief Executive Officer

DIN:00100801

**Yashpal Jain**

Chief Financial Officer and

Company Secretary

M.No. A13981

**Archana Capoor**

Director

DIN: 01204170

**Aabha Bakaya**

Director

DIN: 05131734

Place: Gurugram

Date : 22 May 2025

Place: Gurugram

Date : 22 May 2025



# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 1. Corporate information

Sandhar Technologies Limited ('STL' or 'the Company') [CIN - L74999DL1987PLC029553] is a public limited company domiciled in India. The Company was incorporated on 19 October 1987 in New Delhi, India and having its registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi - 110029, India. It is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The Company is primarily engaged in the manufacturing and assembling of components for the automotive industry.

## 2. Basis of preparation

### (i) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time notified under Section 133 of the Companies Act, 2013 ("Act").

The standalone financial statements were approved for issue by the Board of Directors of the Company on 22 May 2025.

### (ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

### (iii) Basis of measurement

These Standalone Financial Statements have been prepared on a historical cost basis, except for the following items which have been measured at fair value or revalued amount:

Items	Measurement basis
Certain financial assets and financial liability	Fair value
Net defined benefit plan (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation.

### (iv) Use of judgements and estimates

In preparing these standalone financial statements, management has made judgements and estimates that affect the application of the Company's 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 estimates are recognised prospectively.

### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following note:

- Note 34 - Judgement required to whether an arrangement contains a lease or to ascertain lease classification

### Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 17 - revenue recognition
- Note 30 - measurements of defined benefit obligations: key actuarial assumptions;
- Note 2.1 (a) - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;
- Note 2 (v) - fair value measurement of financial instruments;
- Note 2.1 (h) - impairment of financial and non-financial assets; and
- Note 31 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 5 & 6A - impairment assessment - key assumption underlying recoverable amount
- Note 28 - recognition and estimation of tax expenses including deferred tax.

### (v) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 35 – Financial instruments.

### (vi) **Current – non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

## 2.1 **Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements.

### **a. Property, plant and equipment**

#### **(i) Recognition and Measurement**

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

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work in progress is stated at cost, net of impairment loss, if any. Refer to note 2 (iv) regarding significant accounting judgements, estimates and assumptions.

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.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognized.

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.

A property, plant and equipment is eliminated from the standalone financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the Standalone Statement of Profit and Loss.

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

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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proceeds and the carrying amount of the asset and are recognized in the Standalone Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## (ii) **Subsequent expenditure**

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

## (iii) **Depreciation**

Depreciation on property, plant and equipment is calculated on a straight-line basis to allocate their cost, net of their estimated residual values, over the estimated useful lives and is recognized in the Standalone Statement of Profit and Loss. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Leasehold land is amortized on a straight line basis over the period of the lease which ranges between 89–99 years.

The Company has used the following rates to provide depreciation which coincides with the rates indicated in Schedule II of the Act on its property, plant and equipment, except for temporary erection, Computers (Servers and networks) and Non – commercial vehicles.

Asset category	Useful lives estimated by the management (years)
Factory Buildings	30 years
Other Buildings	60 years
Carpeted RCC Roads	10 years
Tube wells	5 years
Plant and Machinery	7.5 – 15 years
Electrical Installations	10 years
Office Equipment	5 years
Racks and Bins	10 years
Furniture & Fixtures	10 years
Commercial Vehicles	8 years
Tools, Moulds and Dies	6 years

The management has estimated, supported by independent assessment by technical experts and professionals, the useful lives of the following classes of assets:

- The useful lives of temporary erection is estimated one year, which is lower than those indicated in Schedule II to the Act.
- Computers (Servers and networks) are depreciated over the estimated useful lives of three years, which is lower than those indicated in Schedule II to the Act.
- Non Commercial Vehicles are depreciated over the estimated useful lives of six years, which is lower than those indicated in Schedule II to the Act.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

## **b. Intangible assets**

### (i) **Recognition and Measurement**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an item of intangible assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Standalone Statement of Profit and Loss in the period in which the expenditure is incurred.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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the asset and are recognized in the Standalone Statement of Profit and Loss.

### (ii) **Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the Standalone Statement of Profit and Loss as incurred.

### (iii) **Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the Standalone Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospective basis.

#### - **Technical know-how**

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

#### - **Software**

Software purchased by the Company are amortized on a straight line basis i.e. non-standard (customized) software in four years and standard (non-customized) software in five years.

#### - **Goodwill**

Goodwill is not amortized but is tested for impairment annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Standalone Statement of Profit and Loss when the asset is derecognized.

Amortization method, useful lives and residual lives are reviewed at the end of each financial year and adjusted, if appropriate.

### **c. Non-Current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets are not depreciated, or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

## **d. Capital work-in-progress**

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

## **e. Capital advances**

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under "other non-current assets".

## **f. Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **Company as a lessee**

The Company as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. Right-of-use assets

are amortized on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note 2.1 (h) for Impairment of non-financial assets.

### **(ii) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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### (iii) **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognised the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

### **g. Borrowing costs**

Borrowing costs includes 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), amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

### **h. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining

fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Standalone Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

In regard to assets for which impairment loss has been recognized in prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.



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An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Standalone Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### **i. Government grant**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as other 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 Company receives grants of non-monetary assets, the asset 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 i.e. by equal annual instalments.

### **j. Inventories**

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material, components, stores and spares is determined on first in, first out basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.

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

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

Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

### **k. Foreign currency transactions**

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition 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 at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the Statement of Profit and Loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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## I. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

### Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on delivery terms. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Company accounts for consideration payable to customer as a reduction of the transaction price and, therefore, revenue unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Company.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

### Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

## m. Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

### 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.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

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 realise the asset and settle the liability on a net basis or simultaneously.

### **Deferred tax**

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

In the situations where the Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax asset is recognized in respect of timing differences which are reversed during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets are recognized on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

## **n. Operating Segments**

### ***Basis for segmentation***

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

## **o. Earnings per share (EPS)**

Basic earnings / (loss) per share are calculated by dividing the profit or loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results will be anti-dilutive.

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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## **p. Provisions (Other than employee benefits)**

### **General provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement. 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 recognized as finance cost. Expected future operating losses are not provided for.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### **Warranty provisions**

Provision for warranty related costs are recognized when the product is sold and is based on historical experience. The provision is based on technical evaluation/ historical warranty data and after weighting of all possible outcomes by their associated probabilities. The estimate of such warranty related costs is revised annually. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

### **Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

## **q. Employee benefits**

### **(i) Short-term employee benefits**

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### **(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

### **(iii) Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to Kotak Mahindra Old Mutual Life Insurance Limited, ICICI Prudential Life Insurance and LIC of India. There are no other obligations other than the contribution payable to the respective entities.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Standalone Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### (iv) **Other long term employee benefits**

#### **Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize 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 is classified as a long-term employee benefit. The Company 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.

As per the compensated absence encashment policy, the Company does not have an unconditional right to defer the compensated absence of employees, accordingly the entire compensated absence obligation as determined by an independent actuary has been classified as current liability as at the year end..

## **r. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) **Recognition and initial measurement**

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.



# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## (ii) **Classification and subsequent measurement**

### **Financial assets**

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables. Company has recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is re-classified from the equity to Standalone Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and



# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

## **Investments in joint ventures**

Investments in joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint ventures, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

## **Investments in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

## **Financial assets: Business model assessment**

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

## **Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingents events that would change the amounts or timings of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non - recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid)

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### **Financial assets: Subsequent measurement and gains and losses**

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
<b>Debt investment at FVOCI</b>	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
<b>Equity investment at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

### **Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

### **(iii) Derecognition**

#### **Financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### **Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## **(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## **(v) Derivative financial instruments**

The Company uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit and loss.

### **Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVOCI – debt instruments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

## **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

### **Presentation of allowance for expected credit losses in the balance sheet**

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the Standalone Statement of Profit and Loss and is recognized in OCI.

### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for the measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits and advances
- b. Trade receivables that result from transactions that are within the scope of Ind AS 115
- c. Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Standalone Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the

measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

### s. Expenditure

Expenses are accounted for on the accrual basis.

### t. Exceptional items

Exceptional items refer to items of income or expense within the Standalone Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

### u. Research and development

Expenditure on research activities is recognized in the Standalone Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### **v. Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that

have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### **w. Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

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### 3. Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and Equipment	Office equipments	Vehicles	Furnitures and Fixtures	Total
<b>Gross carrying value as at 1 April 2023</b>	11,069.55	20,193.21	61,001.81	1,957.07	435.08	1,084.08	95,740.80
Additions	968.10	1,205.66	7,027.78	216.58	127.29	24.68	9,570.09
Disposals	-	2.27	1,487.57	125.33	52.52	20.81	1,688.50
Reclassification to assets held for sale*	28.54	142.60	8.21	-	-	-	179.35
<b>Balance as at 31 March 2024</b>	<b>12,009.11</b>	<b>21,254.00</b>	<b>66,533.81</b>	<b>2,048.32</b>	<b>509.85</b>	<b>1,087.95</b>	<b>103,443.04</b>
Additions	20.56	3,135.16	9,199.26	452.78	351.84	108.47	13,268.07
Disposals	-	-	1,406.05	31.17	109.18	0.77	1,547.17
Reclassification to assets held for sale*	2,383.63	544.86	-	-	-	-	2,928.49
<b>Balance as at 31 March 2025</b>	<b>9,646.04</b>	<b>23,844.30</b>	<b>74,327.02</b>	<b>2,469.93</b>	<b>752.51</b>	<b>1,195.65</b>	<b>112,235.45</b>
<b>Accumulated depreciation</b>							
<b>Balance as at 1 April 2023</b>	-	5,518.67	30,070.74	1,420.61	228.65	598.72	37,837.39
Depreciation for the year	-	893.01	6,175.04	223.36	88.36	93.91	7,473.68
Accumulated depreciation on disposal	-	2.27	1,282.62	122.83	52.53	20.46	1,480.71
Reclassification to assets held for sale*	-	89.42	6.84	-	-	-	96.26
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>6,319.99</b>	<b>34,956.32</b>	<b>1,521.14</b>	<b>264.48</b>	<b>672.17</b>	<b>43,734.10</b>
Depreciation for the year	-	951.69	6,699.32	245.19	108.75	88.09	8,093.04
Accumulated depreciation on disposal	-	-	1,111.40	31.04	109.18	0.76	1,252.38
Reclassification to assets held for sale*	-	229.18	-	-	-	-	229.18
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>7,042.50</b>	<b>40,544.24</b>	<b>1,735.29</b>	<b>264.05</b>	<b>759.50</b>	<b>50,345.58</b>
<b>Net carrying value</b>							
<b>As at 31 March 2025</b>	<b>9,646.04</b>	<b>16,801.80</b>	<b>33,782.78</b>	<b>734.64</b>	<b>488.46</b>	<b>436.15</b>	<b>61,889.87</b>
<b>As at 31 March 2024</b>	<b>12,009.11</b>	<b>14,934.01</b>	<b>31,577.49</b>	<b>527.18</b>	<b>245.37</b>	<b>415.78</b>	<b>59,708.94</b>

\*Refer note 3C



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 3A. Capital Work in Progress

The following table presents the ageing schedule for Capital-work-in progress:

S.No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	3,837.52	109.30	1.91	-	3,948.73
2	Project temporarily suspended	-	-	-	-	

S.No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	4,309.69	34.71	-	-	4,344.40
2	Project temporarily suspended	-	-	-	-	

### 3A. Intangible assets under development

The following table presents the ageing schedule for Intangible assets under development:

S.No	Particulars	Amount in Intangible assets under development for a period of				
	Ageing schedule as on 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	342.00	16.87	-	-	358.87
2	Project temporarily suspended	-	-	-	-	

S.No	Particulars	Amount in Intangible assets under development for a period of				
	Ageing schedule as on 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	1,182.99	-	-	-	1,182.99
2	Project temporarily suspended	-	-	-	-	

There are no capital work-in-progress and intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2025 and 31 March 2024.

**Notes to the Standalone Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

**3B. Title deeds of immovable properties not held in the name of the Company**

S. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value 31 March 2025	Gross carrying value 31 March 2024	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of their relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in name of the Company
1	Property, plant and equipment - Freehold Land	Plot no 44-Sector-3, IMT Manesar, Gurgaon	317.77	317.77	Adeep Rolo-forms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.
2	Property, plant and equipment - Freehold Land	Plot no 24-Sector-3, IMT Manesar, Gurgaon	-	192.69	Sandhar Auto Components Limited	No	28.12.2005	Property has been transferred from Sandhar Auto Components Limited to Sandhar Technologies Limited
3	Property, plant and equipment - Building	Plot no 44-Sector-3, IMT Manesar, Gurgaon	411.08	411.08	Adeep Rolo-forms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.
4	Property, plant and equipment - Building	Plot no 24-Sector-3, IMT Manesar, Gurgaon	-	132.55	Sandhar Auto Components Limited	No	28.12.2005	Property has been transferred from Sandhar Auto Components Limited to Sandhar Technologies Limited

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 3C. Detail of assets for sale

The following table presents the detail of Assets held for sale:

Particular	As at 31 March 2025	As at 31 March 2024
Investment in joint venture (refer note 1 below)	670.57	-
Assets of Peenya plant (refer note 2 below)	2,699.31	-
Assets of Mysore plant (refer note 3 below)	-	83.09
<b>Total</b>	<b>3,369.88</b>	<b>83.09</b>

- During the year ended 31 March 2025, the Company entered into share purchase agreement on 27 March 2025 for the sale of its entire 50% stake (dis-investment) in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The Company completed the sale transaction and received an amount of Rs 668.44 lacs on 15 April 2025 and accordingly, the carrying value of Company's investment of Rs 670.57 lacs (Rs 1,336.88 lacs less impairment allowance of Rs 666.31 lacs) has been recognised under Assets held for sale.
- During the year ended 31 March 2025, the Board of Directors has decided to sell the assets of Peenya plant which was available for sale in their present conditions. The asset held for sale was measured at lower of cost and fair value less cost to sell i.e., Rs. 2,699.31 lacs.
- During the year ended 31 March 2024, the Board of Directors has decided to sell the assets of Mysore plant which was available for sale in their present conditions. The asset held for sale was measured at lower of cost and fair value less cost to sell i.e., Rs. 83.09 lacs. The asset was sold during the year, resulting in a gain on disposal of Rs. 541.29 lacs, which has been recognized under "Other income" in the statement of profit or loss.

### 4. Right-of-use assets\*

Particulars	Leasehold Land	Total
<b>Gross carrying value</b>		
<b>Balance as at 1 April 2023</b>	6,625.05	6,625.05
Additions	1,759.57	1,759.57
Disposals	1,071.49	1,071.49
<b>Balance as at 31 March 2024</b>	<b>7,313.13</b>	<b>7,313.13</b>
Additions	465.12	465.12
Disposals	339.13	339.13
<b>Balance as at 31 March 2025</b>	<b>7,439.12</b>	<b>7,439.12</b>
<b>Accumulated amortization</b>		
<b>Balance as at 1 April 2023</b>	2,002.65	2,002.65
Amortization charge for the year	883.32	883.32
Accumulated amortization on disposal	1,071.49	1,071.49
<b>Balance as at 31 March 2024</b>	<b>1,814.48</b>	<b>1,814.48</b>
Amortization charge for the year	946.31	946.31
Accumulated amortization on disposal	148.88	148.88
<b>Balance as at 31 March 2025</b>	<b>2,611.91</b>	<b>2,611.91</b>
Net carrying value		
<b>As at 31 March 2025</b>	<b>4,827.21</b>	<b>4,827.21</b>
<b>As at 31 March 2024</b>	<b>5,498.65</b>	<b>5,498.65</b>

\* Refer Note 34

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 5. Intangible assets

Particulars	Computer software	Technical know-how	Total	Goodwill*
<b>Gross carrying value as at 1 April 2023</b>	681.20	3,075.24	3,756.44	552.35
Additions	124.32	101.38	225.70	-
Disposals	0.98	-	0.98	-
<b>Balance as at 31 March 2024</b>	<b>804.54</b>	<b>3,176.62</b>	<b>3,981.16</b>	<b>552.35</b>
Additions	182.10	812.07	994.17	-
Disposals	0.22	-	0.22	-
<b>Balance as at 31 March 2025</b>	<b>986.42</b>	<b>3,988.69</b>	<b>4,975.11</b>	<b>552.35</b>
<b>Accumulated amortization</b>				
<b>Balance as at 1 April 2023</b>	487.56	1,185.30	1,672.86	-
Amortization for the year	99.96	527.39	627.35	-
Accumulated amortization on disposal	0.48	-	0.48	-
<b>Balance as at 31 March 2024</b>	<b>587.04</b>	<b>1,712.69</b>	<b>2,299.73</b>	<b>-</b>
Amortization for the year	102.20	558.64	660.84	-
Accumulated amortization on disposal	0.21	-	0.21	-
<b>Balance as at 31 March 2025</b>	<b>689.03</b>	<b>2,271.33</b>	<b>2,960.36</b>	<b>-</b>
Net carrying value				
<b>As at 31 March 2025</b>	<b>297.39</b>	<b>1,717.36</b>	<b>2,014.75</b>	<b>552.35</b>
<b>As at 31 March 2024</b>	<b>217.50</b>	<b>1,463.93</b>	<b>1,681.43</b>	<b>552.35</b>

#### \* Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.
- The terminal growth rate ranges from 2% to 3% representing management view on the future long-term growth rate.
- Discount rate ranging from 8% to 10% for all periods presented was applied in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and companies average weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 6. Financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Investments</b>		
<b>A. Non-current investments</b>		
<b>Investments at cost</b>		
<b>Investments in equity instruments of subsidiaries</b>		
<b>Unquoted equity instruments</b>		
1,03,84,615 (31 March 2024: 60,00,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	3,731.24	881.24
32,48,000 (31 March 2024: 32,48,000) equity shares of EUR. 1/- each fully paid-up in Sandhar Technologies Barcelona SL	2,029.00	2,029.00
1,27,50,000 (31 March 2024: 1,27,50,000) equity shares of Rs.10/- each fully paid-up in Sandhar Auto Castings Private Limited	1,275.00	1,275.00
9,50,00,000 (31 March 2024: 8,50,00,000) equity shares of Rs.10/- each fully paid-up in Sandhar Engineering Private Limited	9,500.00	8,500.00
3,09,96,000 (31 March 2024: 3,09,96,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Automotive Systems Private Limited	1,666.16	1,666.16
2,08,35,000 (31 March 2024: 83,35,000) equity shares of Rs.10/- each fully paid-up in Sandhar Auto Electric Solutions Private Limited	2,083.50	833.50
<b>Investments in joint ventures</b>		
<b>Investment in equity shares (Unquoted)</b>		
1,72,20,600 (31 March 2024: 1,72,20,600) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	1,722.06	1,722.06
68,64,988 (31 March 2024: 68,64,988) equity shares of Rs. 10/- each fully paid-up in Jinyoung Sandhar Mechatronics Private Limited	-	686.50
2,66,20,000 (31 March 2024: 2,66,20,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Amkin Industries Private Limited	2,662.00	2,662.00
97,84,500 (31 March 2024: 97,84,500) equity shares of Rs. 10/- each fully paid-up in Sandhar Whetron Electronics Private Limited	978.45	978.45
1,00,84,555 (31 March 2024: 1,00,84,555) equity shares of Rs. 10/- each fully paid-up in Kwangsung Sandhar Technologies Private Limited	1,008.46	1,008.46
27,50,000 (31 March 2024: 27,50,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Shin Auto Technologies Private Limited	275.00	275.00
4,00,000 (31 March 2024: 4,00,000) equity shares of Rs. 100/- each fully paid-up in Winnercom Sandhar Technologies Private Limited	400.00	400.00
98,6550 (31 March 2024: 98,6550) equity shares of Rs.10/- each fully paid-up in Kwangsung Sandhar Automotive Systems Private Limited	98.66	98.66
<b>Investments in joint ventures</b>		
<b>Investments in Preference shares (Unquoted)</b>		
23,43,000 (31 March 2024: 23,43,000) preference shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	234.38	234.38
65,03,750 (31 March 2024: 65,03,750) preference shares of Rs. 10/- each fully paid-up in Jinyoung Sandhar Mechatronics Private Limited	-	650.38
<b>Investments at fair value through profit and loss</b>		
<b>Non Trade investment (Unquoted)</b>		
20,000 (31 March 2024: 20,000) shares of Rs. 10/- each fully paid-up in VNM Polymers Private Limited	194.10	162.49

**Notes to the Standalone Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
	27,858.01	24,063.28
Less: Loss allowance in investment value (investment in joint ventures)	-	(970.64)
<b>Total aggregate amount of impairment in the value of investments</b>	-	<b>(970.64)</b>
<b>Total investments</b>	<b>27,858.01</b>	<b>23,092.64</b>
<b>Aggregate value of unquoted investments</b>	<b>27,858.01</b>	<b>24,063.28</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>(970.64)</b>
<b>Current</b>	<b>-</b>	<b>-</b>
<b>Non-Current</b>	<b>27,858.01</b>	<b>23,092.64</b>

**\*Notes:**

- During the year ended 31 March 2025, the Company entered into share purchase agreement on 27 March 2025 for the sale of its entire 50% stake (dis-investment) in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The Company completed the sale transaction and received an amount of Rs 668.44 lacs on 15 April 2025 and accordingly, the carrying value of Company's investment of Rs 670.57 lacs (Rs 1,336.88 lacs less impairment allowance of Rs 666.31 lacs) has been recognised under Assets held for sale.
- During the year ended March 31, 2025, the Company conducted an impairment review of its investment in equity shares of Sandhar Whetron Electronics Private Limited. Based on the updated assessment, the recoverable amount of the investment, determined using the value-in-use method, exceeded its carrying amount. As a result, the Company has reversed the impairment loss of Rs. 304.33 lakhs that was previously recognized during the earlier years.
- During the year ended 31 March 2024, the Company performed an impairment assessment of its investment in equity shares and preference shares of Jinyoung Sandhar Mechatronics Private Limited to compute the fair value of its investment. Based on management's assessment, as the fair value of the investment was lower than the carrying amount of the investment, an impairment charge of Rs. 555.95 Lacs was recognized in the Standalone Statement of Profit and Loss as an exceptional item. As at 31 March 2024, the total impairment allowance pertaining to Jinyoung Sandhar Mechatronics Private Limited is Rs 666.31 Lacs.
- During the year ended 31 March 2024, the Company has acquired 12,05,000 equity shares (equivalent to 20.08% of total paid up share capital) of Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited) (subsidiary company) at Rs 41 per equity share.

Particulars	As at 31 March 2025	As at 31 March 2024
<b>B. Loans</b>		
<b>Non - current</b>		
Loans recoverable from related parties	-	3,625.00
<b>Total loans</b>	-	3,625.00
<b>Current</b>		
Loans recoverable from related parties	2,775.00	1,663.12
Loans to employees	34.45	44.91
<b>Total loans</b>	<b>2,809.45</b>	<b>1,708.03</b>
Break up of total loans		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good; and	2,809.45	5,333.03
(c) Doubtful.	-	-
	<b>2,809.45</b>	<b>5,333.03</b>



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>C. Trade receivables</b>		
<b>Current</b>		
Trade receivables (unsecured and considered good, unless otherwise stated)**	46,428.11	39,304.96
Unbilled revenue	370.72	938.26
<b>Total trade receivables</b>	<b>46,798.83</b>	<b>40,243.22</b>
Break-up of trade receivables		
Unsecured, considered good	46,798.83	40,243.22
Trade receivables – credit impaired	316.04	299.81
	<b>47,114.87</b>	<b>40,543.03</b>
Less: Loss allowance	(316.04)	(299.81)
	<b>46,798.83</b>	<b>40,243.22</b>

### Trade receivables ageing schedule as on 31 March 2025

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 months*	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
i) Undisputed trade receivables– considered good	46,007.08	517.84	256.48	17.43	-	46,798.83
ii) Undisputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables– credit impaired	-	-	-	16.23	299.81	316.04
iv) Disputed trade Receivables– considered good	-	-	-	-	-	-
v) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables– credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	(16.23)	(299.81)	(316.04)

\*Includes unbilled revenue of Rs 370.72 lacs and not due of Rs 38,770.29 lacs

### Trade receivables ageing schedule as on 31 March 2024

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 months*	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
i) Undisputed trade receivables– considered good	39,890.30	308.04	44.88	-	-	40,243.22
ii) Undisputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables– credit impaired	-	-	-	-	299.81	299.81
iv) Disputed trade Receivables– considered good	-	-	-	-	-	-
v) Disputed trade receivables– which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables– credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	-	(299.81)	(299.81)

\*Includes unbilled revenue of Rs 938.26 lacs and not due of Rs 35,204.65 lacs

\*\* For explanations on the Company's credit risk management processes, refer to Note –37

For dues receivables from related parties refer to Note –32

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>D. Cash and cash equivalents</b>		
Balances with banks:		
– In current accounts	3,049.23	12.66
Cash on hand	12.30	17.48
<b>Total cash and cash equivalents</b>	<b>3,061.53</b>	<b>30.14</b>
<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
<b>E. Other bank balances</b>		
Current		
In current account for equity dividend	2.72	1.67
Deposits with original maturity for more than 3 months but less than 12 months*	-	70.58
<b>Total other bank balances</b>	<b>2.72</b>	<b>72.25</b>

\*These deposits are held as margin money deposits with government authorities.

Particulars	As at 31 March 2025	As at 31 March 2024
<b>F. Other financial assets</b>		
<b>Non – current</b>		
Security deposits	1,553.21	1,187.72
Interest accrued but not due on fixed deposits	17.91	-
Bank deposit with original maturity of more than 12 months	114.25	-
<b>Total</b>	<b>1,685.37</b>	<b>1,187.72</b>
<b>Current</b>		
Security deposits	419.73	1.21
Interest accrued but not due on fixed deposits	1.76	21.66
Bank deposit with original maturity of more than 12 months	27.08	125.42
Other receivables	94.27	27.76
<b>Total</b>	<b>542.84</b>	<b>176.05</b>
<b>Total financial assets (A+B+C+D+E+F)</b>	<b>82,758.75</b>	<b>70,135.05</b>
<b>Break up of financial assets carried at amortised cost</b>		
Security deposits	1,972.94	1,188.93
<b>Total financial assets carried at amortised cost</b>	<b>1,972.94</b>	<b>1,188.93</b>

## 7. Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials {includes goods in transit of Rs. 766.45 lacs (31 March 2024: Rs. 519.00 lacs)}	14,999.37	13,020.25
Work in progress	969.43	887.58
Finished goods {includes goods in transit of Rs. 924.94 lacs (31 March 2024: Rs. 631.33 lacs)}	4,134.61	2,571.38
Stores and spares	1,706.80	1,383.90
	<b>21,810.21</b>	<b>17,863.11</b>
Provision for inventory obsolescence	(25.00)	(25.00)
<b>Total inventories at the lower of cost and net realisable value</b>	<b>21,785.21</b>	<b>17,838.11</b>

## Notes to the Standalone Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 8. Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non - current</b>		
<b>A. Capital advances</b>		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good.	426.65	597.29
<b>Total capital advances</b>	<b>426.65</b>	<b>597.29</b>
<b>B. Income-tax asset</b>		
Advance income-tax (net of provision for taxation) (refer Note 15)	361.67	411.76
	<b>361.67</b>	<b>411.76</b>
<b>Total (A+B)</b>	<b>788.32</b>	<b>1,009.05</b>
<b>Current</b>		
<b>C. Other advances</b>		
Unsecured, considered good.	1,876.11	822.70
Doubtful	-	-
<b>Total other advances</b>	<b>1,876.11</b>	<b>822.70</b>
<b>D. Prepaid expenses</b>		
Prepaid expenses	980.49	542.99
	<b>980.49</b>	<b>542.99</b>
<b>E. Balance with statutory / government authorities</b>		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good	672.93	938.46
<b>Total balance with statutory / government authorities</b>	<b>672.93</b>	<b>938.46</b>
<b>Total (C+D+E)</b>	<b>3,529.53</b>	<b>2,304.15</b>

### 9. Share capital

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Authorised share capital</b>		
6,80,00,000 equity shares of Rs.10 each (31 March 2024: 6,80,00,000 equity shares of Rs.10 each)	6,800.00	6,800.00
2,00,000 preference shares of Rs.100 each (31 March 2024: 2,00,000 preference shares of Rs.100 each)	200.00	200.00
	<b>7,000.00</b>	<b>7,000.00</b>
<b>B. Issued, subscribed and fully paid equity share capital</b>		
Particulars	As at 31 March 2025	As at 31 March 2024
6,01,90,708 equity shares of Rs. 10 each fully paid up (31 March 2024: 6,01,90,708 equity shares of Rs. 10 each)	6,019.07	6,019.07
	<b>6,019.07</b>	<b>6,019.07</b>

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### C. Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Equity shares outstanding at the beginning of the year	60,190,708	6,019.07	60,190,708	6,019.07
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>60,190,708</b>	<b>6,019.07</b>	<b>60,190,708</b>	<b>6,019.07</b>

### Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having par value of Rs.10 per share (31 March 2024: Rs.10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The Board of Directors at its Meeting held on 23 May 2024, had recommended a final dividend @ 32.5% i.e. Rs. 3.25 per equity share, which has been approved by shareholders in Annual General Meeting held on 24 September 2024. The same has been paid.

The Board of Directors at its Meeting held on 22 May 2025, has recommended a final dividend @ 35% i.e. Rs. 3.50 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

In the event of liquidation of the Company, the share holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	%	Number	%
Jayant Davar*	33,056,928	54.92%	32,270,978	53.61%

\* 90,909 Equity Shares are held by Mr. Jayant Davar in his Capacity as proprietor of Sandhar Enterprises

### Details of shares held by promoters as at 31 March 2025

Particulars	No. of shares (1 April 2024)	Change during the year	No. of shares (31 March 2025)	% change during the year	% of shareholding
Jayant Davar	32,270,978	785,950	33,056,928	2.44%	54.92%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Santosh Davar	785,950	(785,950)	-	(100.00%)	0.00%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited LLP	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Details of shares held by promoters as at 31 March 2024

Particulars	No. of shares (1 April 2023)	Change during the year	No. of shares (31 March 2024)	% change during the year	% of shareholding
Jayant Davar	31,431,396	839,582	32,270,978	2.67%	53.61%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Dharmendar Nath Davar	839,582	(839,582)	-	(100.00%)	0.00%
Santosh Davar	785,950	-	785,950	0.00%	1.31%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

## 10. Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Capital reserve</b>		
At the beginning and end of the year	2,653.66	2,653.66
<b>Securities Premium</b>		
At the beginning and end of the year	27,859.67	27,859.67
<b>Retained earnings</b>		
Balance at the beginning of the year	66,231.47	56,351.88
Add: Profit for the year	13,962.71	11,225.12
Other comprehensive (loss)/ income - Re-measurement of defined benefit liabilities	(115.07)	159.24
Less: Final dividend on equity shares	(1,956.20)	(1,504.77)
<b>Balance at the end of the year</b>	<b>78,122.91</b>	<b>66,231.47</b>
<b>Total of other equity</b>	<b>108,636.24</b>	<b>96,744.80</b>

### Nature and purpose of other equity

#### 1. Capital Reserve:

This represents Capital reserve created during the year ended 31 March 2013, consequent to the approval by the Hon'ble High Court of Delhi of the scheme of amalgamation of MAG Engineering Private Limited with the Company and will be utilised as per the requirements of the Companies Act, 2013.

#### 2. Securities premium:

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

#### 3. Remeasurements of defined benefit obligation:

Remeasurements of defined benefit obligation comprises actuarial (losses)/ gains.

#### 4. Retained earnings:

This represents the cumulative profits of the Company.

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

## 11. Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Non – current</b>		
<b>Term loans</b>		
Indian rupee borrowings from banks (secured) (refer note A below)	4,031.25	6,781.25
Indian rupee borrowings from others (secured) (refer note B below)	1,312.50	2,250.00
<b>Total non-current borrowings</b>	<b>5,343.75</b>	<b>9,031.25</b>
Secured	5,343.75	9,031.25
Unsecured	-	-
<b>B. Current</b>		
<b>a) Current maturities</b>		
Indian rupee borrowings from banks (secured) (refer note A below)	2,750.00	1,875.00
Indian rupee borrowings from others (secured) (refer note B below)	1,000.00	1,000.00
<b>Total current maturities of non-current borrowings</b>	<b>3,750.00</b>	<b>2,875.00</b>
b) Cash credit from banks (secured) (refer note C)	14,866.95	5,088.78
c) Credit card payable (unsecured) (refer note D)	1,512.89	702.81
<b>Total</b>	<b>20,129.84</b>	<b>8,666.59</b>
Aggregate secured loans	18,616.95	7,963.78
Aggregate unsecured loans	1,512.89	702.81
<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
<b>Terms of borrowings:</b>		
(A) (i) Term loan from CITI Bank Indian rupee Loan of Rs. 750,000,000 carries interest rate of 8.00% - 9.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 46,875,000 from January, 2023	3,281.25	5,156.25
(ii) Term loan from CITI Bank Indian rupee Loan of Rs. 350,000,000 carries interest rate of 8.00% - 9.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 21,875,000 from June, 2025	3,500.00	3,500.00
(B) Term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 400,000,000 carries interest rate of 8.20%-8.40% p.a. The loan is repayable in 16 quarterly instalments of Rs. 125,00,000 from April, 2023	2,312.50	3,250.00
(C) Cash credits from banks are secured by way of first pari passu charge on the inventory and books debts of the company.	14,866.95	5,088.78
(D) Credit card payable	1,512.89	702.81

### Above term loans are secured by:

- First pari passu charge on the entire present and future movable property, plant and equipment of the borrower excluding those assets which are specifically funded by other lenders/ financial institutions
- First pari passu charge on immovable properties, of the borrower as detailed below:
  - 4, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
  - 3, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
  - Plant at Village Dhumaspur, P.O Badshahpur, Gurgaon
  - Plot no. 24, Sector 3, IMT Manesar, Haryana
  - Plot no. 44, Sector 3, IMT Manesar, Haryana
  - Plot no. 8, Bommasandra- Jigani Link Road Industrial Area, Hubli
  - Plot # 12c, Sy No. 47 & 50, KIADB, Bangalore
  - Plot # 13a, Sy No. 47 & 50, KIADB, Bangalore
  - Sandhar Himachal, Bharatgarh Road, Tehsil Nalagarh, District Solan, Himachal Pradesh
  - Plot No. 7A, KIADB Industrial Area, Attibele Hobli, Anekal Taluk, Bangalore



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### Disclosures as per Schedule III to the Companies Act, 2013:

1. The Company has utilised the borrowings for the purpose it was taken.
2. The quarterly statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.

## 12. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises (refer Note 40)	9,731.71	9,896.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,788.62	21,196.44
Acceptances*	2,234.77	2,323.28
<b>Total trade payables</b>	<b>32,755.10</b>	<b>33,416.30</b>

Terms and conditions of the above financial liabilities:

For explanations on the Company's credit risk management processes, refer to Note 37.

For dues payables to related parties refer to Note -32.

\*Acceptances are arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Company continues to recognise the liability till settlement with the banks/financial institutions, which are normally effected within a period of 90 days.

### 'Trade payables ageing schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	9,708.97	0.03	5.27	17.44	9,731.71
(ii) Others	23,009.73	9.62	1.46	2.58	23,023.39
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

### 'Trade payables ageing schedule as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	9,820.37	5.85	68.33	2.03	9,896.58
(ii) Others	23,506.04	8.02	2.15	3.51	23,519.72
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

## Notes to the Standalone Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 13. Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non-current</b>		
Lease liabilities - (refer Note 34)	1,960.79	2,496.87
Other financial liabilities	1,719.85	-
<b>Total</b>	<b>3,680.64</b>	<b>2,496.87</b>
<b>Current</b>		
Payables for capital goods*	1,289.68	2,442.38
Interest accrued and due on borrowings	65.04	16.15
Unclaimed equity dividend	2.72	1.67
Security deposit payable	12.72	25.68
Provision for Interest - MSME - (refer Note 40)	215.49	186.42
Other financial liabilities	1,416.28	-
<b>Total</b>	<b>3,001.93</b>	<b>2,672.30</b>
Lease liabilities - (refer Note 34)	774.82	813.57
	<b>774.82</b>	<b>813.57</b>

\*For dues payables to related parties refer to Note -32.

### 14. Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	2,346.43	1,243.48
Advance from customers	1,443.29	570.94
Advance from others	-	100.00
<b>Total</b>	<b>3,789.72</b>	<b>1,914.42</b>

### 15. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer Note 30)	513.27	177.84
Provision for compensated absences	913.90	954.95
<b>Other provisions</b>		
Provision for income tax (net of tax paid) (refer Note 8B)	112.28	1,016.45
Provision for warranties*	104.91	100.80
<b>Total</b>	<b>1,644.36</b>	<b>2,250.04</b>
<b>*Provision for warranties</b>		
At the beginning of the year	100.80	90.40
Accrued during the year	139.58	117.88
Utilized during the year	(135.47)	(107.48)
At the end of the year	104.91	100.80

\*Provision is recognized for expected warranty claims on products sold during the last two to five years, based on past experience of level of repairs and returns. It is expected that the most of this cost will be incurred in the next financial year. Assumption used to calculate the provision for warranties were based on current sales level and current information available about returns based on the two to five year warranty period for all products sold.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 16. Deferred tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Tax effect of items resulting in deductible temporary differences</b>		
-Post-employment benefits	359.00	285.00
-Provision for doubtful debt and advances	80.00	75.00
-Employee benefits	125.00	116.00
-Fair value measurement	96.00	125.00
-Impact of IND-AS 116	35.34	11.02
<b>Total deferred tax assets</b>	<b>695.34</b>	<b>612.02</b>
<b>Tax effect of items resulting in taxable temporary differences</b>		
-Property, plant and equipment: Impact of difference between tax and depreciation/amortization charged for the financial reporting	743.34	925.02
<b>Total deferred tax liabilities</b>	<b>743.34</b>	<b>925.02</b>
<b>Net deferred tax liabilities</b>	<b>(48.00)</b>	<b>(313.00)</b>

### 17. Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Sale of products</b>	285,537.01	264,820.45
<b>Sale of services</b>	1,944.98	2,467.34
<b>Other operating revenue</b>		
Scrap sale	3,802.52	3,969.48
Technical charges	19.05	309.28
<b>Revenue from operations</b>	<b>291,303.56</b>	<b>271,566.55</b>

### 18. Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Dividend income on long-term investments	-	11.99
Profit on sale of property, plant and equipment	628.00	95.95
Foreign exchange fluctuation gain (net)	8.04	12.93
Interest from bank	4.24	14.50
Interest from others	639.30	263.28
Interest income on security deposits measured at amortised cost	91.52	54.84
Gain on investments carried at fair value through profit or loss	31.62	50.13
Other miscellaneous income	921.71	663.57
	<b>2,324.43</b>	<b>1,167.19</b>

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 19. Cost of raw material and components consumed

#### Raw material and components consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	13,020.25	11,745.03
Add: Purchases during the year	198,259.26	184,704.35
	<b>211,279.51</b>	<b>196,449.38</b>
Less: Inventory at the end of the year	14,999.37	13,020.25
Cost of raw material and components consumed	<b>196,280.14</b>	<b>183,429.13</b>

### 20. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Closing inventories</b>		
Finished goods	4,134.61	2,571.38
Work in progress	969.43	887.58
<b>Opening inventories</b>		
Finished goods	2,571.38	2,436.43
Work in progress	887.58	1,006.75
Net changes	<b>(1,645.08)</b>	<b>(15.78)</b>

### 21. Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	31,072.00	29,020.54
Contribution to provident and other funds	960.99	906.31
Staff welfare expenses	1,458.61	1,362.33
Gratuity expense (refer Note 30)	285.53	265.27
	<b>33,777.13</b>	<b>31,554.45</b>

### 22. Depreciation and amortization expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment	8,093.04	7,473.68
Amortisation on right of use assets	946.31	883.32
Amortisation on intangible assets	660.84	627.35
	<b>9,700.19</b>	<b>8,984.35</b>
Less: Depreciation on plant and machinery capitalized during the year	14.00	7.16
	<b>9,686.19</b>	<b>8,977.19</b>

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 23. Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	5,857.47	5,503.98
Packing material	3,265.38	3,031.85
Job work charges	3,983.34	3,864.80
Rent	686.76	205.81
Rates and taxes	206.74	211.92
Insurance	196.89	236.37
Freight and forwarding charges	2,813.32	2,559.61
Power and fuel	8,884.73	7,864.09
Repairs and maintenance		
- Buildings	279.18	367.03
- Plant and machinery	1,956.23	1,936.01
- Others	1,600.10	1,230.72
Legal and professional charges*	1,140.54	757.40
Travelling and conveyance	522.80	457.71
CSR expenditure**	243.35	198.70
Provision for doubtful debts and advances	16.23	1.20
Provision for warranties (net of reversal)	139.58	117.88
Royalty	121.31	127.12
Commission to directors	767.43	644.59
Security service charges	682.11	647.14
Testing and development expenses	133.94	115.47
Festival and celebration expenses	68.88	91.43
Directors sitting fee	32.55	32.90
Miscellaneous expenses	1,571.94	1,218.39
<b>Total other expenses</b>	<b>35,170.80</b>	<b>31,422.12</b>

\* Includes payment to auditors

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>As auditor:</b>		
- Audit fees	53.00	50.00
- Limited reviews	12.00	12.00
<b>In other capacity</b>		
- Other services (certification fees)	3.50	5.25
- Reimbursement of expenses	1.25	5.91
<b>Total</b>	<b>69.75</b>	<b>73.16</b>

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

\*\* Disclosure relating to CSR expenditure:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013"	234.04	187.80
(b) Amount approved by the Board of Directors to be spent during the year	252.50	187.80
(c) Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	243.35	198.70
(d) Excess amount spent on CSR as per Section 135(5) of the Companies Act, 2013:		
(i) Opening balance	10.90	-
(ii) Amount required to be spent during the year	234.04	187.80
(iii) Amount spent during the year	243.35	198.70
(iv) Closing balance	20.20	10.90
(e) Total of previous year shortfall	-	-
(f) Reason for shortfall	-	-
(g) Nature of CSR activities	Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others	Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others

### 24. Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest to banks/ financial institutions		
- Term loan	789.18	808.49
- Cash credit	878.32	228.50
- Others	1.78	3.00
Interest to others	94.65	51.52
Finance charges	-	0.26
Bank charges	37.31	45.47
Interest on lease liabilities (refer Note 34)	247.62	241.41
<b>Total finance costs</b>	<b>2,048.86</b>	<b>1,378.65</b>

### 25. Exceptional items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Impairment loss reversal/ (created) on investment in joint venture (refer Note 6A)	304.33	(555.95)
<b>Total exceptional items</b>	<b>304.33</b>	<b>(555.95)</b>



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 26. Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

**During the year ended 31 March 2025:**

Particulars	Retained earnings	Total
Re-measurement loss on defined benefit liabilities	(153.78)	(153.78)
Tax impact on re-measurement loss on defined benefit liabilities	38.71	38.71
	<b>(115.07)</b>	<b>(115.07)</b>

During the year ended 31 March 2024:

Particulars	Retained earnings	Total
Re-measurement gain on defined benefit liabilities	212.80	212.80
Tax impact on re-measurement gain on defined benefit liabilities	(53.56)	(53.56)
	<b>159.24</b>	<b>159.24</b>

### 27. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity holders of the Company	13,962.71	11,225.12
Weighted average number of equity shares used for computing Earnings Per Share (Basic and Diluted)	60,190,708	60,190,708
Earnings Per Share (Basic and Diluted) (Rs.)	23.20	18.65
Face value per share (Rs.)	10	10

**Reconciliation of weighted average number of equity shares for calculation of basic and diluted earnings per share:**

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of Rs. 10 per share:		
Balance as at 1 April 2023	60,190,708	60,190,708
Issued during the year 2023–24	-	-
Balance as at 31 March 2024	60,190,708	60,190,708
Issued during the year 2024–25	-	-
<b>Balance as at 31 March 2025</b>	<b>60,190,708</b>	<b>60,190,708</b>

As at 31 March 2025 and 31 March 2024, the Company does not have any dilutive potential equity shares.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 28. Income Tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:		
<b>Income tax recognized in Standalone Statement of Profit and Loss</b>		
<b>Current income tax:</b>		
Current tax	4,922.89	4,545.65
Current tax relating to earlier years	(45.03)	(13.18)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(226.29)	(325.56)
<b>Income tax expense reported in the standalone statement of profit and loss</b>	<b>4,651.57</b>	<b>4,206.91</b>
<b>Income tax recognized in other comprehensive income</b>		
Deferred tax related to items recognised in OCI during the year:		
Net loss on remeasurements of defined benefit plans	38.71	(53.56)
<b>Income tax charged to other comprehensive income</b>	<b>38.71</b>	<b>(53.56)</b>
<b>(b) Reconciliation of effective tax rate</b>		
Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2025 and 31 March 2024:		
Profit before tax	18,309.95	15,987.98
Statutory tax rate	25.168%	25.168%
Income tax expense at the statutory rate	4,608.25	4,023.85
<b>Tax impact of deductible/ non-deductible expenses</b>		
- Effect of dividend income	-	(3.02)
- Effect of CSR expenses	61.25	50.01
- Effect of interest paid to MSME	11.02	12.23
- Tax relating to earlier years	(45.03)	(13.18)
- Others	16.08	137.02
<b>Income tax expense reported in statement of profit and loss</b>	<b>4,651.57</b>	<b>4,206.91</b>

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 29. Group information

The Company has investments in following subsidiaries and joint ventures:

Name of the entity	Principal place of business	Relationship	Percentage of ownership interest	
			As at 31 March 2025	As at 31 March 2024
Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	India	Subsidiary	100.00	100.00
Sandhar Technologies Barcelona SL	Spain	Subsidiary	100.00	100.00
Sandhar Engineering Private Limited	India	Subsidiary	100.00	100.00
Sandhar Automotive Systems Private Limited	India	Subsidiary	100.00	100.00
Sandhar Auto Castings Private Limited	India	Subsidiary	100.00	100.00
Sandhar Auto Electric Solutions Private Limited	India	Subsidiary	100.00	100.00
Sandhar Amkin Industries Private Limited	India	Joint Venture	69.12	69.12
Sandhar Han Sung Technologies Private Limited	India	Joint Venture	50.00	50.00
Sandhar Whetron Electronics Private Limited	India	Joint Venture	50.00	50.00
Kwangsung Sandhar Technologies Private Limited	India	Joint Venture	50.00	50.00
Sandhar Han Shin Auto Technologies Private Limited	India	Joint Venture	50.00	50.00
Winnercom Sandhar Technologies Private Limited	India	Joint Venture	50.00	50.00
Jinyoung Sandhar Mechatronics Private Limited (refer note 3C)	India	Joint Venture	50.00	50.00

## 30. Gratuity and other post-employment benefit plans

### A. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund, National pension scheme and Employee state insurance scheme ('ESI') which are collectively defined as defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Standalone Statement of Profit and Loss as they accrued.

The amount recognized as an expense/ (adjusted):

Particulars	For the year ended	
	31 March 2025	31 March 2024
Contribution to provident fund	850.80	809.12
Contribution to national pension scheme	81.74	61.76
Contribution to employee state insurance scheme	22.82	29.47

### B. Defined benefit plan

The Company has a defined benefit gratuity plan for its employees, governed by the Payment of Gratuity Act, 1972. Every employee who has rendered at least five years of continuous service gets a gratuity on departure at the rate of fifteen days of last drawn salary for each completed year of service or part thereof in excess of 6 months. The scheme is funded with insurance companies in the form of qualifying insurance policies. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## I. Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Liability for gratuity	2,998.68	2,646.73
Plan asset for gratuity	2,485.41	2,468.89
<b>Net plan liability</b>	<b>513.27</b>	<b>177.84</b>

## II. Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	2,646.74	2,523.20
Current service cost	272.67	244.06
Interest cost	191.36	186.21
Benefits paid	(303.09)	(252.11)
Past service cost including curtailment gains/losses	-	-
Actuarial (gain) / loss on obligation recognised in other comprehensive income	191.00	(54.63)
<b>Balance at the end of the year</b>	<b>2,998.68</b>	<b>2,646.73</b>

## III. Reconciliation of fair value of plan assets:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	2,468.89	2,235.86
Expected return on plan assets	178.51	165.01
Employers' contribution	100.00	150.00
Benefits paid	(299.21)	(240.15)
Actuarial gain/(loss) on plan assets recognized in other comprehensive income	37.22	158.17
<b>Closing fair value of plan assets</b>	<b>2,485.41</b>	<b>2,468.89</b>

## IV. Expense recognized in the Standalone Statement of Profit and Loss under employee benefits expense:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	272.67	244.06
Past service cost	-	-
Interest cost/ (income)	12.86	21.21
<b>Expense recognised in the Standalone Statement of Profit and Loss</b>	<b>285.53</b>	<b>265.27</b>

## V. Remeasurement recognized in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain / (loss) on defined benefit obligation	(191.00)	54.63
Gain/ (loss) on plan assets excluding interest income	37.22	158.17
<b>Amount recognised in the Other Comprehensive Income</b>	<b>(153.78)</b>	<b>212.80</b>

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## VI. Bifurcation of actuarial gain/ loss on defined benefit obligation:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain/(loss) due to financial assumption change	(78.98)	(136.77)
Actuarial gain/(loss) due to experience adjustment	(112.02)	191.40
<b>Amount recognised in the other comprehensive income</b>	<b>(191.00)</b>	<b>54.63</b>

The principal assumptions used in determining gratuity and compensated absences are as follows:

### (a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.93% p.a.	7.23% p.a.
Future salary increase	7.00% p.a.	7.00% p.a.

### (b) Demographic assumptions

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Particulars	As at 31 March 2025	As at 31 March 2024
Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)
Retirement age	58 years	58 years
<b>Attrition rate</b>		
Up to 30 years	10% p.a.	10% p.a.
From 31 to 44 years	3% p.a.	3% p.a.
Above 44 years	1% p.a.	1% p.a.

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Particulars	For the year ended 31 March 2025		For the year ended As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(131.39)	141.20	(112.46)	120.87
Expected rate of future salary increase (0.5% movement)	129.24	(122.44)	111.58	(105.77)

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Gratuity expense expected to be incurred in the next year is Rs. 363.38 lacs (previous year Rs. 294.58 lacs).

### - Maturity profile of defined benefit obligations:

Particulars	As at 31 March 2025	As at 31 March 2024
Less than 1 year	182.02	236.09
1-2 year	230.61	155.11
2-5 year	526.64	461.29
More than 5 year	2,059.41	1,794.25

The weighted average duration of the defined benefit obligations as on 31 March 2025 is 17.47 years (31 March 2024: 13.51 years)

### Other long-term employee benefits (unfunded):

During the year ended 31 March 2025, the Company has incurred an expense on compensated absences amounting to Rs. 273.55 lacs (previous year Rs. 417.13 lacs). The Company determines the expense for compensated absences basis the actuarial valuation of present value of the obligation, using the Projected Unit Credit Method.

## 31. Contingent liabilities and commitments (to the extent not provided for)

### A. Capital commitments

Particulars	31 March 2025	31 March 2024
Estimated amount of contracts remaining to be executed on account of capital commitments (net of advances) pertaining to property, plant and equipment and intangible assets	4,049.83	6,194.87

### B. Contingent liabilities

Particulars	31 March 2025	31 March 2024
<b>a. Claims against the Company not acknowledged as debts*</b>		
- Service tax and Custom matters	56.42	56.42
- Goods and services tax	776.32	66.30
- Income tax matters	83.33	54.84
- Matters related to land	79.85	1,016.14
- Matters related to labour, employees/ ex-employees	54.77	46.67
- Other matters related to accident claim, environmental compensation, and supplier's matters etc.	761.63	810.63
<b>b. Guarantees given by the Company (refer note A)</b>	<b>41,098.09</b>	<b>27,357.53</b>

\* It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities.

Based on the status of cases and as advised by Company's tax/legal advisors, wherever applicable, the management believes that the Company has strong chance of success and hence no provision against matters disclosed in "Claims against the Company not acknowledged as debts" are considered necessary.

### Note A:

#### Guarantee given by the Company:

To facilitate grant of financing facilities to the Company's joint ventures and subsidiaries, the Company has given corporate guarantees to banks. As at year end, the outstanding corporate guarantee/stand by-letter of credits/ bank guarantees so given amounts to Rs. 40,335.17 (31 March 2024: Rs. 27,199.69).

The Company has issued guarantees of Rs 762.92 (31 March 2024: Rs 157.84) to its vendors.



# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 32. Related party disclosures

**(a) List of related parties and nature of relationship where control exists:**

- (i) Ultimate controlling party is promoter group (refer Note 9)
- (ii) Subsidiaries (refer Note 29)

**(b) List of related parties and nature of relationship with whom transactions have taken place during the current year/ previous year:**

<b>1. Subsidiary companies including step-down subsidiaries:</b>	a. Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)
	b. Sandhar Technologies Barcelona S.L.
	c. Sandhar Engineering Private Limited
	d. Sandhar Automotive Systems Private Limited
	e. Sandhar Auto Castings Private Limited
	f. Sandhar Auto Electric Solutions Private Limited
<b>2. Joint ventures:</b>	a. Sandhar Han Sung Technologies Private Limited
	b. Jinyoung Sandhar Mechatronics Private Limited
	c. Sandhar Amkin Industries Private Limited
	d. Sandhar Whetron Electronics Private Limited
	e. Kwangsung Sandhar Technologies Private Limited
	f. Sandhar Han Shin Auto Technologies Limited
	g. Winnercom Sandhar Technologies Private Limited
	h. Kwangsung Sandhar Automotive Systems Private Limited
<b>3. Enterprises over which Key managerial personnel/ relatives of key managerial personnel are able to exercise control/ significant influence with whom transactions have undertaken during the current year/ previous year:</b>	a. Sandhar Estate Private Limited
	b. Jubin Finance and Investment Limited
	c. Haridwar Estates Private Limited
	d. Swaran Enterprises (Mrs. Santosh Davar is a Partner)
	e. Shorah Realty LLP
	f. Rico Auto Industries Private Limited
	g. Khaitan & Co LLP
	h. Sandhar Foundation
	i. Sandhar Info System LLP

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 4. Key managerial personnel:

- a. Mr. Jayant Davar (Chairman, Managing Director & CEO) (appointed CEO w.e.f. 23 May 2024)
- b. Mr. Yashpal Jain (Chief Financial Officer & Company Secretary) (appointed Company Secretary w.e.f. 9 February 2024)
- c. Ms. Komal Malik (Company Secretary) (resigned w.e.f. 15 January 2024)
- d. Mr. Arvind Kapur (Non-Executive Independent Director) (resigned w.e.f. 3 July 2024)
- e. Mr. Bharat Anand (Non-Executive Independent Director)
- f. Ms. Archana Capoor (Non-Executive Independent Director)
- g. Mr. Arjun Sharma (Non-Executive Independent Director)
- h. Mr. Sandeep Dinodia (Non-Executive Independent Director)
- i. Mr. Vimal Mahendru (Non-Executive Independent Director)
- j. Mr. Vikarmpati Singhania (Non-Executive Independent Director)
- k. Mr. D.N Davar (Non-Executive and Non - Independent Director) (resigned w.e.f. 23 May 2024)
- l. Ms. Monica Davar (Non-Executive and Non - Independent Director)
- m. Mr. Neel Jay Davar (Non-Executive and Non - Independent Director)
- n. Ms.Aabha Bakaya (Non-Executive and Non-Independent Director) (appointed w.e.f. 8 Aug 2024)
- o. Mr. Gurvinder Jeet Singh (Sr. Advisor & Chief Operating Officer-Automotive Business)
- p. Mr. Ajay Kumar Raghav (Chief Operating Officer-Casting Machining and Tooling Division) (resigned w.e.f. 01 March 25)
- q. Mr. Venkataraman Srinivasan (Chief Operating Officer-Cabin and Fabrication Division)

## 5. Relatives of Key Managerial Personnel and relatives of Individual owning an interest in the voting power of reporting enterprise that gives them control/ significant influence over the Company with whom transactions have undertaken during the current year/ previous year:

- a. Mr. D. N. Davar
- b. Mrs. Monica Davar
- c. Mr. Neel Jay Davar
- d. Mrs. Santosh Davar
- e. Mrs. Poonam Juneja

## 6. Transactions with related parties during the current / previous year:

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchase of goods	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	5,341.82	4,630.28
	Sandhar Auto Castings Private limited	Subsidiary	299.87	35.85
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	863.82	769.12
	Sandhar Automotive Systems Private Limited	Subsidiary	-	18.48
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	36.24	247.01
	Sandhar Engineering Private Limited	Subsidiary	89.71	19.72
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	-	0.03

**Notes to the Standalone Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of goods	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	87.01	122.61
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	0.19	0.81
	Sandhar Engineering Private Limited	Subsidiary	2,399.29	1,676.26
	Sandhar Automotive Systems Private Limited	Subsidiary	6,096.22	4,764.81
	Sandhar Auto Castings Private Limited	Subsidiary	19.78	-
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	-	6.53
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	2.52	2.87
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	211.60	242.01
Sale of property, plant and equipment	Sandhar Engineering Private Limited	Subsidiary	1.00	29.46
	Sandhar Automotive Systems Private Limited	Subsidiary	0.14	124.01
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	113.30	128.18
Purchase of property, plant and equipment	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	425.97	598.16
	Sandhar Engineering Private Limited	Subsidiary	4.34	-
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	4.73	6.11
Reimbursement of expenses from	Sandhar Technologies Barcelona SL	Subsidiary	160.57	77.12
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	16.87	16.16
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	114.75	71.46
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	14.87	13.61
	Sandhar Amkin Industries Pvt Limited	Joint Venture of Reporting Enterprises	28.54	26.08
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	25.42	19.13
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	24.35	27.37
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	13.12	9.99
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	7.67	7.05

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
	Sandhar Engineering Private Limited	Subsidiary	406.66	117.63
	Sandhar Automotive Systems Private Limited	Subsidiary	24.16	15.44
	Sandhar Auto Castings Private Limited	Subsidiary	134.59	81.39
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	80.27	39.68
	Haridwar Estate Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	21.06	9.24
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	72.00	-
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	10.57	-
Lease rentals paid to	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	32.70	32.70
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	268.36	268.36
	Shorah Realty LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.71	0.71
Lease rentals received from	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	28.76	28.76
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	45.61	43.30
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	20.78	20.78
	Sandhar Automotive Systems Private Limited	Subsidiary	60.63	60.63
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	48.04	43.67
	Sandhar Auto Castings Private Limited	Subsidiary	1.06	1.06
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	0.97	0.97
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	1.67	2.77
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	0.49	0.49
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited) Limited	Subsidiary	0.64	-

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Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
	Sandhar Info Systems LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.94	-
Dividend received from	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited) Limited	Subsidiary	-	11.99
CSR Expenditure	Sandhar Foundation	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	243.35	140.50
Director commission & sitting fee	Archana Capoor	Key Managerial Personnel & their relatives	7.60	6.60
	Arjun Sharma		6.90	5.40
	Arvind Kapur		1.20	7.30
	D.N.Davar		0.35	4.00
	Khaitan & Co LLP		5.50	4.50
	Monica Davar		6.20	4.50
	Mr. Neel Jay Davar		5.00	4.50
	Sandeep Dinodia		7.60	5.90
	Vimal Mahendru		6.75	5.70
	Aabha Bakaya		6.35	-
	Vikrampati Singhania		5.35	3.50
Services received from	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	-	0.06
Services given Interest received	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	86.66	363.28
	Sandhar Engineering Private Limited	Subsidiary	306.18	28.76
	Sandhar Technologies Barcelona SL	Subsidiary	214.01	121.33
	Sandhar Auto Castings Private Limited	Subsidiary	2.62	1.30
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	7.03	-
Managerial remuneration	Jayant Davar	Key Managerial Personnel & their relatives	884.69	768.60
	Yashpal Jain	Key Managerial Personnel & their relatives	179.54	129.62
	Komal Malik	Key Managerial Personnel & their relatives	-	26.28
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	95.59	81.90
	Ajay Kumar Raghav	Key Managerial Personnel & their relatives	81.17	66.92
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	118.35	109.28

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment in shares of subsidiary	Jayant Davar	Key Managerial Personnel & their relatives	-	2.05
Commission charge on corporate guarantee	Sandhar Technologies Barcelona SL	Subsidiary	176.70	128.49
	Sandhar Han Sung Technologies Pvt. Ltd.	Joint Venture of Reporting Enterprises	5.20	10.53
	Sandhar Auto Castings Private Limited	Subsidiary	45.63	44.99
	Sandhar Engineering Private Limited	Subsidiary	77.83	102.84
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	4.60	10.33
Dividend paid	Jayant Davar	Key Managerial Personnel & their relatives	1,074.35	705.16
	Others	Enterprises over which KMP or relatives of Key Managerial Personnel are able to exercise control/ significant influence	164.58	115.99
	Others	Key Managerial Personnel & their relatives	137.83	127.80
Investment made in subsidiaries	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	2,850.00	494.05
	Sandhar Engineering Private Limited	Subsidiary	1,000.00	2,050.00
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	1,250.00	833.00
	Sandhar Auto Castings Private Limited	Subsidiary	-	650.00
Loans & advances given	Sandhar Engineering Private Limited	Subsidiary	375	5,125.00
	Sandhar Technologies Barcelona SL	Subsidiary	1,812.80	1,663.12
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	650.00	-
	Sandhar Auto Castings Private Limited	Subsidiary	225.00	65.00

Nature of transaction	Name of related party	Relationship	As at 31 March 2025	As at 31 March 2024
Corporate guarantee/ standby letter of credit given to	Sandhar Technologies Barcelona S L	Subsidiary	21,177.71	13,284.95
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	277.50	741.42
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	266.90	627.37
	Sandhar Engineering Private Limited	Subsidiary	7,990.94	8,015.77
	Sandhar Auto Castings Private Limited	Subsidiary	3,622.13	4,530.18
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	7,000.00	-



**Notes to the Standalone Financial Statements** for the year ended 31 March 2025  
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Nature of transaction	Name of related party	Relationship	As at 31 March 2025	As at 31 March 2024
Investment in JV's and subsidiaries	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1,956.44	1,956.44
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	3,731.24	881.24
	Sandhar Technologies Barcelona SL	Subsidiary	2,029.00	2,029.00
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	1,336.87
	Sandhar Automotive Systems Private Limited	Subsidiary	1,666.16	1,666.16
	Sandhar Amkin Industries Private Ltd	Joint Venture of Reporting Enterprises	2,662.00	2,662.00
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	978.45	978.45
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	400.00	400.00
	Sandhar Auto Castings Private Limited	Subsidiary	1,275.00	1,275.00
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	275.00	275.00
	Kwangsung Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	1,008.46	1,008.46
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	98.66	98.66
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	2,083.50	833.50
	Sandhar Engineering Private Limited	Subsidiary	9,500.00	8,500.00
Outstanding receivables	Haridwar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	136.33	132.13
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	0.16	1.96
	Sandhar Technologies Barcelona SL	Subsidiary	953.31	384.53
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	6.07	7.49
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	17.04	79.13
	Sandhar Engineering Private Limited	Subsidiary	521.53	417.36
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	24.21	0.09
	Sandhar Auto Castings Private Limited	Subsidiary	0.01	89.88
	Sandhar Automotive Systems Private Limited	Subsidiary	808.34	748.71
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	1.01	0.89
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	0.47	0.60
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	4.08	4.32
	Sandhar Info System LLP	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	1.10	-

**Notes to the Standalone Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	As at 31 March 2025	As at 31 March 2024
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	45.82	66.87
Loans & advances receivable	Sandhar Engineering Private Limited	Subsidiary	2,625.00	3,625.00
	Sandhar Technologies Barcelona SL	Subsidiary	-	1,663.12
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	150.00	-
Security deposit receivable	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	36.00	36.00
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	98.88	98.88
Outstanding payable	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	605.78	468.94
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	22.66	70.27
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	132.57	450.27
Security deposit payable	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	5.97	5.97
Managerial remuneration payable	Jayant Davar	Key Managerial Personnel & their relatives	741.18	636.83
	Yashpal Jain	Key Managerial Personnel & their relatives	-	11.29
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	7.97	6.83
	Ajay Kumar Raghav	Key Managerial Personnel & their relatives	-	5.58
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	9.27	9.11

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 33. Disclosure required under Section 186(4) of the Companies Act, 2013

#### a. Particulars of loan given:

Nature of the transaction (loans given/ investment made/guarantee given)	Repayment terms for loans given	As at 31 March 2025	As at 31 March 2024
<b>(a) Loans given to provide financial assistance to related parties for working capital requirements *</b>			
<b>Sandhar Auto Castings Private Limited @ 9.00% per annum</b>			
Opening balance	Repayable after one year	-	65.00
Loans given during the year		225.00	-
Loans repaid during the year		225.00	65.00
<b>Closing balance</b>		-	-
<b>Sandhar Technologies Barcelona SL @ 10.00% per annum</b>			
Opening balance	Repayable after one year	1,663.12	894.43
Loans given during the year		1,812.80	1,663.12
Loans repaid during the year		3,475.92	894.43
<b>Closing balance</b>		-	1,663.12
<b>Sandhar Auto Electric Solutions Private Limited @ 9.00% per annum</b>			
Opening balance	Repayable after one year	-	-
Loans given during the year		650.00	-
Loans repaid during the year		-	-
Loan converted into equity		500.00	-
<b>Closing balance</b>		150.00	-
<b>Sandhar Engineering Private Limited @ 9.00% per annum</b>			
Opening balance	Repayable after two years	3,625.00	-
Loans given during the year		375.00	5,125.00
Loans repaid during the year		375.00	-
Loan converted into equity		1,000.00	1,500.00
<b>Closing balance</b>		2,625.00	3,625.00

#### b. Particulars of Corporate guarantee/ standby letter of credit given on behalf of:

Name of the entity	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
Sandhar Technologies Barcelona SL (including step down subsidiaries)	21,177.71	-	21,177.71	To secure term loan & working capital loan
Sandhar Han Sung Technologies Private Limited	277.50	-	277.50	To secure term loan & working capital loan
Sandhar Amkin Industries Private Limited	266.90	-	266.90	To secure term loan & working capital loan
Sandhar Engineering Private Limited	7,990.94	-	7,990.94	To secure term loan & working capital loan
Sandhar Auto Castings Private Limited	3,622.13	-	3,622.13	To secure term loan & working capital loan
Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	7,000.00	-	7,000.00	To secure term loan & working capital loan

#### c. Particulars of investments made:

Refer note 6A for investments made by the Company.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 34. Leases

- i. The Company has lease contracts for land & building used in its operations. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of guest house and other equipment with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

#### ii. Impact on the standalone statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on lease liabilities (refer note 24)	247.62	241.41
Amortization of Right-of-use assets (refer note 4)	946.31	883.32
<b>Impact on the statement of profit and loss for the year</b>	<b>1,193.93</b>	<b>1,124.73</b>

#### iii. Amount recognised in the standalone statement of cash flows

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Repayment of lease liabilities including interest expenses	1,097.32	996.50
<b>Impact on the statement of cash flows for the year</b>	<b>1,097.32</b>	<b>996.50</b>

- iv. Refer note 37 for contractual maturities of lease liabilities.

### 35. Financial instruments– Fair values

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

Particulars	Carrying value		Fair value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>Financial assets</b>				
<b>A. Fair value through profit and loss:</b>				
Non trade investment (Unquoted)	194.10	162.49	194.10	162.49
<b>B. Amortised cost:</b>				
Security deposits	1,972.94	1,188.93	1,972.94	1,188.93
Loans recoverable from related parties	2,775.00	5,288.12	2,775.00	5,288.12
Loans to employees	34.45	44.91	34.45	44.91
<b>Total</b>	<b>4,976.49</b>	<b>6,684.45</b>	<b>4,976.49</b>	<b>6,684.45</b>
<b>Financial liabilities</b>				
<b>A. Amortised cost:</b>				
Borrowings	25,473.59	17,697.84	25,473.59	17,697.84
Lease liabilities	2,735.61	3,310.44	2,735.61	3,310.44
Other financial liabilities	3,136.13	-	3,136.13	-
<b>Total</b>	<b>31,345.33</b>	<b>21,008.28</b>	<b>31,345.33</b>	<b>21,008.28</b>

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

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.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### **The following methods and assumptions were used to estimate the fair values:**

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors and individual creditworthiness of the customer, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, is calculated by arriving at intrinsic value of the investee. The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

### **Discount rates used in determining fair value:**

The interest rates used to discount estimated future cash flows, where applicable, are based on the discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

## **36. Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial statements that are

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurements of fair values. This includes a valuation team and has overall responsibility for overseeing all significant fair value measurements and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### A. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value through profit and loss:</b>				
Non trade investment (Unquoted)	194.10	-	-	194.10
<b>Assets measured at amortised cost for which fair values are disclosed (refer note 35):</b>				
Security deposits	1,972.94	-	-	1,972.94
Loans recoverable from related parties	2,775.00	-	-	2,775.00
Loans to employees	34.45	-	-	34.45
<b>Liabilities measured at amortised cost for which fair values are disclosed (refer note 35):</b>				
Borrowings	25,473.59	-	-	25,473.59
Lease liabilities	2,735.61	-	-	2,735.61
Other financial liabilities	3,136.13	-	-	3,136.13

During the year ended 31 March 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

### B. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value through profit and loss:</b>				
Non trade investment (Unquoted)	162.49	-	-	162.49
<b>Assets measured at amortised cost for which fair values are disclosed (refer note 35):</b>				
Security deposits	1,188.93	-	-	1,188.93
Loans recoverable from related parties	5,288.12	-	-	5,288.12
Loans to employees	44.91	-	-	44.91
<b>Liabilities measured at amortised cost for which fair values are disclosed (refer note 35):</b>				
Borrowings	17,697.84	-	-	17,697.84
Lease liabilities	3,310.44	-	-	3,310.44

During the year ended 31 March 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.



## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 37. Financial risk management objectives and policies

The Company is primarily engaged in the manufacturing and assembling of automotive components such as lock-set, mirrors and various sheet metal components including cabins for two wheelers, four wheelers and off road vehicle industry. The Company's principal financial liabilities, comprises loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to support the Company's operations. The Company's principal financial assets include investments in equity, employee advances, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company has exposure to the following risks arising from financial instruments

- Market risk (see (b));
- Credit risk (see (c)); and
- Liquidity risk (see (d)).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

#### a) Risk management framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Company's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board of directors of the Company provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings	Diversification of bank deposits, credit limits and letter of credit.
Liquidity Risk	Borrowings and liabilities	Cash flow forecasting, Sensitivity analysis	Availability of borrowing facilities.
Market risk – foreign currency risk	Future commercial transactions, recognised financial liabilities not denominates in Indian Rupee (INR)	Cash flow forecasting, Sensitivity analysis	Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited hence the Company does not use any derivative instruments to manage its exposure.
Market risk –interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### b) 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 risk comprises following types of risk: interest rate risk, currency risk, price risk, and commodity risk. Financial instruments affected by market risk include loans and borrowings, investment, deposits and advances.

The sensitivity analyses in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2025.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analyses:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2025 and 31 March 2024.

### c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to management is as follows:

Particulars	31 March 2025	31 March 2024
<b>Financial liabilities</b>		
<b>Fixed rate instruments</b>		
- Term loan	9,093.75	11,906.25
<b>Variable rate instruments</b>		
- Cash credit from bank	14,866.95	5,088.78
- Credit card from banks	1,512.89	702.81
<b>Financial assets</b>		
<b>Fixed rate instruments</b>		
- Fixed deposits	141.33	196.00
- Loans	2,809.45	5,333.03

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### Interest rate sensitivity

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Increase / decrease in basic points	Profit or loss	Profit or loss (net of tax)
<b>31 March 2025</b>			
Secured term loan	100	90.94	68.05
Cash credit from bank	100	148.67	111.25
Other borrowings	100	15.13	11.32
Secured term loan	(100)	(90.94)	(68.05)
Cash credit from bank	(100)	(148.67)	(111.25)
Other borrowings	(100)	(15.13)	(11.32)
<b>31 March 2024</b>			
Secured term loan	100	119.06	89.09
Cash credit from bank	100	50.89	38.08
Other borrowings	100	7.03	5.26
Secured term loan	(100)	(119.06)	(89.09)
Cash credit from bank	(100)	(50.89)	(38.08)
Other borrowings	(100)	(7.03)	(5.26)

### 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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

#### Details of unhedged foreign currency exposures:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount in Foreign Currency	Amount in Rs	Amount in Foreign Currency	Amount in Rs
Trade Payables (USD)	17.61	1,505.35	30.51	2,544.50
Trade Payables (JPY)	951.21	541.98	895.14	492.94
Trade Payables (EUR)	0.37	34.00	1.13	101.89
Trade Receivables (USD)	6.80	580.68	5.59	465.94
Trade Receivables (EUR)	0.37	34.16	1.27	114.36
Trade Receivables (JPY)	-	-	53.80	29.62

The following significant exchange rates were applied at the year end:

Particulars	Year end rates	
	As at 31 March 2025	As at 31 March 2024
INR/ JPY	0.57	0.55
INR/ USD	85.46	83.40
INR/ EUR	92.43	89.90

# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Sensitivity Analysis

Any changes in the exchange rate of foreign currency against INR is not expected to have significant impact on the Company's profit due to the short credit period. Accordingly, a 1% appreciation/depreciation of the INR as indicated below, against the foreign currencies would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant.

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/JPY Increases by 1%	Import Trade payables	0.57	0.0057	951.21	(5.42)	(4.06)
	INR/JPY Decreases by 1%		0.57	(0.0057)	951.21	5.42	4.06
<b>As at 31 March 2024</b>	INR/JPY Increases by 1%	Import Trade payables	0.55	0.0055	895.14	(4.93)	(3.69)
	INR/JPY Decreases by 1%		0.55	(0.0055)	895.14	4.93	3.69

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/USD Increases by 1%	Import Trade payables	85.46	0.8546	17.61	(15.05)	(11.26)
	INR/USD Decreases by 1%		85.46	(0.8546)	17.61	15.05	11.26
<b>As at 31 March 2024</b>	INR/USD Increases by 1%	Import Trade payables	83.40	0.8340	30.51	(25.45)	(19.04)
	INR/USD Decreases by 1%		83.40	(0.8340)	30.51	25.45	19.04

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure EURO	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/EURO Increases by 1%	Import Trade payables	92.43	0.9243	0.37	(0.34)	(0.25)
	INR/EURO Decreases by 1%		92.43	(0.9243)	0.37	0.34	0.25
<b>As at 31 March 2024</b>	INR/EURO Increases by 1%	Import Trade payables	89.90	0.8990	1.13	(1.02)	(0.76)
	INR/EURO Decreases by 1%		89.90	(0.8990)	1.13	1.02	0.76

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/USD Increases by 1%	Trade Receivables	85.46	0.8546	6.80	5.81	4.35
	INR/USD Decreases by 1%		85.46	(0.8546)	6.80	(5.81)	(4.35)
<b>As at 31 March 2024</b>	INR/USD Increases by 1%	Trade Receivables	83.40	0.8340	5.59	4.66	3.49
	INR/USD Decreases by 1%		83.40	(0.8340)	5.59	(4.66)	(3.49)

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/EUR Increases by 1%	Trade Receivables	92.43	0.9243	0.37	0.34	0.26
	INR/ EUR Decreases by 1%		92.43	(0.9243)	0.37	(0.34)	(0.26)
<b>As at 31 March 2024</b>	INR/ EUR Increases by 1%		89.90	0.8990	1.27	1.14	0.86
	INR/ EUR Decreases by 1%		89.90	(0.8990)	1.27	(1.14)	(0.86)

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/JPY Increases by 1%	Trade Receivables	-	-	-	-	-
	INR/JPY Decreases by 1%		-	-	-	-	-
<b>As at 31 March 2024</b>	INR/JPY Increases by 1%		0.55	0.0055	53.80	0.30	0.22
	INR/JPY Decreases by 1%		0.55	(0.0055)	53.80	(0.30)	(0.22)

### Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including foreign exchange transactions and other financial instruments.

### Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Trade receivables of Rs. 46,798.83 lacs as at 31 March 2025 (31 March 2024: Rs 40,243.22 lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

The Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of 31 March 2025 and 31 March 2024 however there was no default on account of those customers in the past. The Company has payment terms in range of 30 days to 120 days with its customers.

Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits to customer. Limits and scoring attributed to customers are reviewed on periodic basis.

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

#### (a) Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans	2,809.45	5,333.03
Other financial assets	2,228.21	1,363.77
<b>Total</b>	<b>5,037.66</b>	<b>6,696.80</b>

#### (b) The ageing analysis of trade receivables for which loss allowance is measured using Life Time Expected Credit Losses as of the reporting date is as follows:

Particulars	As at 31 March 2025	0 – 6 Month	6 – 12 Month	More than 12 months
Gross carrying amount	47,114.87	46,007.08	517.84	589.95
Expected credit loss (Loss allowance)	(316.04)	-	-	(316.04)
Carrying amount of trade receivables	46,798.83	46,007.08	517.84	273.91

Particulars	As at 31 March 2024	0 – 6 Month	6 – 12 Month	More than 12 months
Gross carrying amount	40,543.03	39,890.30	308.04	344.69
Expected credit loss (Loss allowance)	(299.81)	-	-	(299.81)
Carrying amount of trade receivables	40,243.22	39,890.30	308.04	44.88

#### (c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Receivables, included under trade receivables	46,798.83	40,243.22
Contract liabilities included under advance from customers	1,443.29	570.94

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products.



# Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Company's policy. Investments of surplus funds are made only in schemes of alternate investment fund/or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks, the Company does not expect these banks to fail in meeting their obligations. The maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is represented by the carrying amount of each financial asset.

The Company's policies is to provide financial guarantees only for subsidiaries and joint ventures. At 31 March 2025 and 2024, the Company has issued guarantee to certain bank in respect of credit facilities granted to subsidiaries and joint ventures.

## d) Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

**The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments**

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2025	0- 1 year	1- 5 year	More than
5 year				
Trade payables	32,755.10	32,755.10	-	-
Borrowings	25,473.59	20,129.84	5,343.75	-
Lease liabilities	2,735.61	960.96	2,189.03	-
Other financial liabilities	4,721.78	3,001.93	1,719.85	-
<b>Total</b>	<b>65,686.08</b>	<b>56,847.83</b>	<b>9,252.63</b>	<b>-</b>

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2024	0- 1 year	1- 5 year	More than 5 year
Trade payables	33,416.30	33,416.30	-	-
Borrowings	17,697.84	8,666.59	9,031.25	-
Lease liabilities	3,310.44	1,057.04	2,803.37	-
Other financial liabilities	2,672.30	2,672.30	-	-
<b>Total</b>	<b>57,096.88</b>	<b>45,812.23</b>	<b>11,834.62</b>	<b>-</b>

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 38. Capital management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The Company's capital management objectives, policies or processes were unchanged during the year.

The Company monitors capital using 'Debt Equity' ratio. The ratio is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Net debt (A)*	22,409.34	17,595.45
Equity (B)	1,14,655.31	1,02,763.87
<b>Debt equity ratio (A/B)</b>	<b>0.20</b>	<b>0.17</b>

\* Net debt includes Non-current borrowing, current borrowing, current maturities of non-current borrowing net off cash and cash equivalent and other bank balance.

### 39. Segment Reporting

The Company is engaged in the business of manufacturing and assembling of automotive components. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments' operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component. Further, the economic environment in which the company operates is significantly similar and not subject to materially different risk and rewards.

The operating segment of the Company is identified to be "Automotive components" as the CODM reviews business performance at an overall Company level as one segment.

Accordingly, as the company operates in a single business and geographical segment, the reporting requirements for primary and secondary disclosures under Indian Accounting Standard - 108 "Operating Segments" have not been provided in the standalone financial statements.

### 40. Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	As at 31 March 2025	As at 31 March 2024
(a) The principal amount remaining unpaid to any supplier as at the end of the year	10,357.87	10,851.88
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	9.37	8.03
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year		
- Interest paid	42.72	56.86
- Payment to suppliers	5,784.23	7,348.35
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	62.43	60.90
(e) Amount of Interest accrued and remaining unpaid at the end of the year	71.81	68.93
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	215.49	186.42

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 41. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92–92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the international transactions entered into with the associated enterprises from 1 April 2024 and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

### 42. Analytical Ratios

Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% Variance	Reason for variance (if variance exceeds 25%)
Current ratio	Total current assets	Total current liabilities	1.32	1.26	4.76%	-
Debt-equity ratio	Total debt	Shareholder's equity	0.22	0.17	29.41%	Short term borrowings were increased in FY 2024–25
Debt service coverage ratio	Net profit after tax + depreciation & amortizations + finance cost + loss on sale of PPE	Finance cost, payment of lease liabilities, interest paid on lease liabilities & repayments of term loan during the year	4.56	4.52	0.88%	-
Return on equity ratio	Net profit after tax*100	Average Shareholder's equity	12.84%	11.47%	11.94%	-
Inventory turnover ratio	Cost of goods sold	Average inventory	9.82	10.68	(8.05%)	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.69	7.81	(14.34%)	-
Trade payables turnover ratio	Total purchases	Average trade payables	5.99	6.28	(4.62%)	-
Net capital turnover ratio	Revenue from operations	Working capital (Current Assets–Current liabilities)	14.71	21.35	(31.10%)	Due to increase in working capital.
Net profit ratio	Net profit after tax*100	Revenue from operations	4.79%	4.13%	15.98%	-
Return on capital employed	Earnings before interest and tax	Capital employed (tangible net worth+ total debt + deferred tax liability)	15.02%	14.18%	5.92%	-
Return on investment	Income generated from invested funds	Average investment	2.17%	1.18%	84.45%	Due to increase in investment in subsidiaries and loan given to related parties

## Notes to the **Standalone Financial Statements** for the year ended 31 March 2025 (Rupees in lacs, except share data, per share data and unless otherwise stated)

### 43. Additional Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company is not declared as a wilful defaulter by any bank of financial institution or other lender.
- (ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (xii) The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have Core Investment Company (CIC).

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**

Partner

Membership No. 505725

Place: Gurugram

Date : 22 May 2025

For and on behalf of the Board of Directors of

**Sandhar Technologies Limited**

**Jayant Davar**

Chairman, Managing Director and

Chief Executive Officer

DIN:00100801

**Archana Capoor**

Director

DIN: 01204170

Place: Gurugram

Date : 22 May 2025

**Yashpal Jain**

Chief Financial Officer and

Company Secretary

M.No. A13981

**Aabha Bakaya**

Director

DIN: 05131734

# Independent Auditor's Report

To the Members of Sandhar Technologies Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Sandhar Technologies Limited (hereinafter referred to as the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at 31 March 2025, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue Recognition

See Note 19 to consolidated financial statements

##### The key audit matter

The Group's revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognized at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Group and its external stakeholders focus on revenue as a key performance metric.

Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.

##### How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence:

- We assessed the appropriateness of the Group's accounting policies for revenue recognition by comparing with applicable accounting standard.
- We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.
- Using statistical sampling basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately when control is transferred.
- We tested on a sample basis specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred.
- We scrutinized journal entries related to revenue recognised during the year based upon specified risk-based criteria, to identify unusual or irregular items.
- We assessed the adequacy of the disclosures in accordance with the relevant accounting standard.

## Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Board of Directors of its joint ventures are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 95,167 lacs as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 65,555 lacs and net cash inflows (before consolidation adjustments) amounting to Rs. 637 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax of Rs. 643 lacs for the year ended 31 March 2025, in respect of three joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

- b. Four subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to financial information certified by the management.

- c. The consolidated financial statements also include the Group's share of net profit of Rs. 86 lacs for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of two joint venture, whose financial information have not been audited by us or by other auditors. These unaudited financial information has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information are not material to the Group's.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint ventures as were audited by other auditors, as noted in the "Other Matters" paragraphs, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, and its joint venture companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, and joint ventures, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, and its joint ventures. Refer Note 32 to the consolidated financial statements.
  - b. The Group, and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2025.
  - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, and joint venture companies incorporated in India during the year ended 31 March 2025.
  - d. (i) The management of the Holding Company and its subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management of the Holding Company and its subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 10 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company, its subsidiary companies and joint venture companies incorporated in India, has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- (a) In case of Holding Company, its three subsidiary companies and three joint venture companies, incorporated in India, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of service organisation, we are unable to comment whether audit trail feature of accounting software operated by third-party service provider was enabled and operated throughout the year for all relevant transactions recorded in the accounting software used for maintaining general ledger at the database level.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint venture companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Deepesh Sharma**  
Partner

Place: Gurugram  
Date: 22 May 2025  
Membership No.: 505725  
ICAI UDIN: 25505725BMLESV8830

# Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Sandhar Technologies Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary / JV / Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Sandhar Technologies Limited	L74999D1987PLC029553	Holding Company	Clause (i)(c) of Annexure A to Independent Auditor's report
2	Sandhar Auto Electric Solutions Private Limited	U34300HR2022PTC100410	Subsidiary Company	Clause 3(xvii) of Annexure A to Independent Auditor's Report
3	Sandhar Engineering Private Limited	U35999HR2021PTC098487	Subsidiary Company	Clause 3(xvii) of Annexure A to Independent Auditor's Report

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Kwangsung Sandhar Automotive Systems Private Limited	U29309HR2019PTC083787	Subsidiary of Joint venture company
Kwangsung Sandhar Technologies Private Limited	U29100HR2019PTC078337	Joint Venture Company
Jinyoung Sandhar Mechatronics Private Limited	U36990HR2017PTC068220	Joint Venture Company

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No.: 505725  
ICAI UDIN:25505725BMLESV8830

Place: Gurugram  
Date: 22 May 2025

# Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Sandhar Technologies Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

In conjunction with our audit of the consolidated financial statements of Sandhar Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and its joint venture companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and joint venture companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

## Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to four subsidiary companies and two joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The internal financial controls with reference to financial statements insofar as it relates to three joint venture companies, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our

opinion and according to the information and explanations given to us by the Management, such unaudited joint venture companies are not material to the Holding Company.

Our opinion is not modified in respect of above matters.

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No.: 505725  
ICAI UDIN: 25505725BMLESV8830

Place: Gurugram  
Date: 22 May 2025



# Consolidated Balance Sheet as at 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	116,746.87	114,588.05
Capital work-in-progress	3B	6,504.18	6,204.19
Goodwill	5	553.30	553.30
Other intangible assets	5	4,949.57	4,922.45
Intangible assets under development	3B	403.87	1,368.99
Right-of-use assets	4	12,060.21	13,579.60
Equity accounted investees	6	5,532.00	4,330.44
Financial assets			
- Investments	7A	428.48	396.87
- Other financial assets	7F	2,389.78	1,957.93
Deferred tax assets (net)	18	1,155.50	1,096.71
Income-tax assets (net)	9C	1,039.42	1,107.90
Other non-current assets	9A,B	11,824.47	738.43
<b>Total non-current assets</b>		<b>163,587.65</b>	<b>150,844.86</b>
<b>Current assets</b>			
Inventories	8	40,948.54	33,689.80
Financial assets			
- Investments	7A	95.36	1,013.41
- Trade receivables	7C	55,730.22	45,753.23
- Cash and cash equivalents	7D	8,109.18	3,314.42
- Other bank balances	7E	21.98	237.93
- Loans	7B	34.45	44.91
- Other financial assets	7F	1,013.64	886.91
Other current assets	9D,E,F	6,759.75	6,856.71
		<b>112,713.12</b>	<b>91,797.32</b>
<b>Assets held for sale</b>	3D	2,699.31	83.09
<b>Total current assets</b>		<b>115,412.43</b>	<b>91,880.41</b>
<b>Total assets</b>		<b>279,000.08</b>	<b>242,725.27</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	10	6,019.07	6,019.07
Other equity	11	107,911.05	95,640.12
<b>Total equity</b>		<b>113,930.12</b>	<b>101,659.19</b>
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	13	27,220.75	28,554.90
- Lease liabilities	15	8,216.87	9,689.36
- Other financial liabilities	15	2,745.79	725.52
Provisions	17	227.11	273.68
Government grant	17A	4,427.10	4,186.22
Deferred tax liabilities (net)	18	48.00	830.74
<b>Total non current liabilities</b>		<b>42,885.62</b>	<b>44,260.42</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	13	54,902.11	33,913.31
- Lease liabilities	15	2,035.61	1,945.77

# Consolidated Balance Sheet as at 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
- Trade payables	14		
• total outstanding dues of micro enterprises and small enterprises ; and		11,795.55	10,629.57
• total outstanding dues of creditors other than micro enterprises and small enterprises		41,304.59	38,398.66
- Other financial liabilities	15	4,375.14	5,050.00
Other current liabilities	16	5,809.24	4,553.04
Provisions	17	1,713.23	1,258.36
Current tax liabilities	17	248.87	1,056.95
<b>Total current liabilities</b>		<b>122,184.34</b>	<b>96,805.66</b>
<b>Total equity and liabilities</b>		<b>279,000.08</b>	<b>242,725.27</b>

Material accounting policies

2

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**

Partner

Membership No. 505725

For and on behalf of the Board of Directors of

**Sandhar Technologies Limited**

**Jayant Davar**

Chairman,  
Managing Director and  
Chief Executive Officer  
DIN:00100801

**Yashpal Jain**

Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Archana Capoor**

Director  
DIN: 01204170

**Aabha Bakaya**

Director  
DIN: 05131734

Place: Gurugram

Date : 22 May 2025

Place: Gurugram

Date : 22 May 2025

# Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>REVENUE</b>			
Revenue from operations	19	388,450.22	352,110.79
Other income	20	1,653.41	1,078.99
<b>Total income (I)</b>		<b>390,103.63</b>	<b>353,189.78</b>
<b>EXPENSES</b>			
Cost of raw materials and components consumed	21	240,737.66	215,292.84
Changes in inventories of finished goods and work-in-progress	22	(2,301.44)	(406.79)
Employee benefits expense	23	52,933.51	48,162.41
Finance costs	26	5,660.89	5,151.77
Depreciation and amortisation expense	24	17,060.12	15,362.07
Other expenses	25	58,755.10	55,001.42
<b>Total expenses (II)</b>		<b>372,845.84</b>	<b>338,563.72</b>
<b>Profit before share in profit of joint ventures, exceptional items and tax (III = I - II)</b>		<b>17,257.79</b>	<b>14,626.06</b>
Exceptional items	27	231.70	-
<b>Profit before share in profit of joint ventures, and tax (IV)</b>		<b>17,489.49</b>	<b>14,626.06</b>
<b>Share in profit of joint ventures, net of tax (V)</b>		<b>969.87</b>	<b>394.56</b>
<b>Profit before tax (VI = IV - V)</b>		<b>18,459.36</b>	<b>15,020.62</b>
<b>Tax expense</b>	30		
Current tax		5,098.57	4,818.41
Deferred tax		(803.45)	(823.89)
<b>Total tax expense (VII)</b>		<b>4,295.12</b>	<b>3,994.52</b>
<b>Profit for the year (VIII = VI - VII)</b>		<b>14,164.24</b>	<b>11,026.10</b>
<b>Other comprehensive income</b>	28		
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement (loss)/ gain on defined benefit liabilities		(176.10)	139.06
Income tax relating to re-measurement (loss)/ gain on defined benefit liabilities		43.94	(39.95)
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences in translating the financial statements of foreign operations		260.07	59.05
Income tax relating to exchange difference in translation		(65.02)	(14.76)
<b>Other comprehensive income for the year, net of tax (IX)</b>		<b>62.89</b>	<b>143.40</b>
<b>Total comprehensive income for the year (X = VIII + IX) (Comprising profit and other comprehensive (loss)/income for the year)</b>		<b>14,227.13</b>	<b>11,169.50</b>
<b>Profit attributable to</b>			
- Owners of the Company		14,164.24	10,977.76
- Non-controlling interest		-	48.34
		14,164.24	11,026.10
<b>Other comprehensive income attributable to</b>			
- Owners of the Company		62.89	143.40
- Non-controlling interest		-	-
		<b>62.89</b>	<b>143.40</b>

# Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Total comprehensive income attributable to</b>			
- Owners of the Company		14,227.13	11,121.16
- Non-controlling interest		-	48.34
		<b>14,227.13</b>	<b>11,169.50</b>
<b>Earnings per equity share</b>	29		
(1) Basic-Par value of Rs. 10 per share		23.53	18.32
(2) Diluted-Par value of Rs. 10 per share		23.53	18.32

Material accounting policies

2

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**

Partner

Membership No. 505725

For and on behalf of the Board of Directors of

**Sandhar Technologies Limited**

**Jayant Davar**

Chairman,

Managing Director and

Chief Executive Officer

DIN:00100801

**Yashpal Jain**

Chief Financial Officer and

Company Secretary

M.No. A13981

**Archana Capoor**

Director

DIN: 01204170

**Aabha Bakaya**

Director

DIN: 05131734

Place: Gurugram

Date : 22 May 2025

Place: Gurugram

Date : 22 May 2025

# Consolidated Statement of **Changes in Equity** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## A. Equity share capital

Particulars	Note	Equity Shares	
		No. of shares	Amount
<b>Balance as at 1 April 2023</b>	10	60,190,708	6,019.07
Changes during the year		-	-
<b>Balance as at 31 March 2024</b>		<b>60,190,708</b>	<b>6,019.07</b>
Changes during the year		-	-
<b>Balance as at 31 March 2025</b>		<b>60,190,708</b>	<b>6,019.07</b>

## B. Other equity

Particulars	Attributable to owners of the Company					Total attributable to owners of the Company	Attributable to non-controlling interest	Total
	Reserves and surplus (1)			Items of other comprehensive income (2)				
	Retained earnings	Securities premium	Capital reserves	Foreign currency translation reserve	Remeasurements of defined benefit liabilities			
Balance as at 1 April 2023	53,501.76	27,859.67	3,915.46	994.14	(244.91)	86,026.12	446.32	86,472.44
Total Comprehensive income for the year ended 31 March 2024								
Profit for the year	10,977.76	-	-	-	-	10,977.76	48.34	11,026.10
Other comprehensive income (net of tax)	-	-	-	44.29	99.11	143.40	-	143.40
Adjustment on account of acquisition of interest in subsidiary	0.62	-	-	-	-	0.62	(494.66)	(494.04)
Transactions with shareholders, recorded directly in the equity								
Final dividend on equity shares	(1,507.78)	-	-	-	-	(1,507.78)	-	(1,507.78)
Balance as at 31 March 2024	62,972.36	27,859.67	3,915.46	1,038.43	(145.80)	95,640.12	-	95,640.12
Total Comprehensive income for the year ended 31 March 2025								
Profit for the year	14,164.24	-	-	-	-	14,164.24	-	14,164.24
Other comprehensive income (net of tax)	-	-	-	195.05	(132.16)	62.89	-	62.89
Transactions with shareholders, recorded directly in the equity								
Final dividend on equity shares	(1,956.20)	-	-	-	-	(1,956.20)	-	(1,956.20)
Balance as at 31 March 2025	75,180.40	27,859.67	3,915.46	1,233.48	(277.96)	107,911.05	-	107,911.05

### Notes:

1. Refer note 11 for nature and purpose of other equity.

# Consolidated Statement of **Changes in Equity** for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No. 505725

Place: Gurugram  
Date : 22 May 2025

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

**Jayant Davar**  
Chairman,  
Managing Director and  
Chief Executive Officer  
DIN:00100801

**Archana Capoor**  
Director  
DIN: 01204170

Place: Gurugram  
Date : 22 May 2025

**Yashpal Jain**  
Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Aabha Bakaya**  
Director  
DIN: 05131734



# Consolidated Statement of Cash Flows for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A Cash flows from operating activities</b>		
<b>1 Profit before tax</b>	18,459.36	15,020.62
<b>2 Adjustments for</b>		
Depreciation and amortisation expense	17,060.12	15,362.07
(Reversal)/ Impairment losses on financial assets	(231.70)	-
Share in profit of joint ventures accounted for using equity method	(969.87)	(394.56)
Profit on sale of property, plant and equipment	(264.95)	27.47
Provision for doubtful debts and advances	16.23	1.20
Unrealised foreign exchange (gain)/loss	(2.94)	2.53
Finance costs	5,660.89	5,151.77
Bad debts and advances written off	43.50	0.22
Interest income on security deposits measured at amortised cost	(111.22)	(73.64)
Gain on investments carried at fair value through profit or loss	(26.99)	(301.67)
Interest income	(259.15)	(150.70)
<b>3 Operating profit before working capital changes (1+2)</b>	<b>39,373.28</b>	<b>34,645.31</b>
<b>4 Movements in working capital</b>		
Increase in trade receivables	(10,036.73)	(10,218.75)
Increase in inventories	(7,258.73)	(3,645.25)
Increase in non current financial assets	(539.83)	(352.49)
(Increase)/ Decrease in current financial assets	(55.18)	2,062.83
Decrease in other current assets	104.41	1,274.74
Increase in trade payables	4,074.85	7,848.88
Decrease in current provisions	(522.92)	(598.34)
Increase in other financial liabilities	3,378.79	2,024.32
Increase/ (Decrease) in other current liabilities	1,256.20	(1,865.49)
<b>Total movement in working capital</b>	<b>(9,599.14)</b>	<b>(3,469.55)</b>
<b>5 Cash flows generated from operations (3+4)</b>	<b>29,774.14</b>	<b>31,175.76</b>
<b>6 Less : Income tax paid (net)</b>	<b>5,077.19</b>	<b>3,694.16</b>
<b>7 Net cash generated from operating activities (5-6)</b>	<b>24,696.95</b>	<b>27,481.60</b>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment, capital work in progress and other intangible assets	(31,617.77)	(23,722.48)
Proceeds from sale of property, plant and equipment	1,060.83	412.78
Purchase of non-controlling interest	-	(494.66)
Purchase of investments	918.06	(140.10)
Changes in bank deposits	231.02	(160.63)
Interest received	391.30	207.62
<b>Net cash used in investing activities</b>	<b>(29,016.56)</b>	<b>(23,897.47)</b>
<b>C Cash flows from financing activities</b>		
Repayment of long-term borrowings	(11,051.04)	(9,064.82)
Proceeds from long-term borrowings	10,957.53	9,088.83
Proceeds from short-term borrowings (net)	19,747.86	7,700.99
Payment of lease liabilities	(2,040.47)	(1,810.89)
Interest paid on lease liabilities	(592.71)	(628.19)
Dividend paid	(1,956.20)	(1,507.78)
Finance costs paid	(4,990.25)	(4,491.62)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>10,074.72</b>	<b>(713.48)</b>
<b>D Net increase in cash and cash equivalents (A+B+C)</b>	<b>5,755.11</b>	<b>2,870.65</b>

# Consolidated Statement of Cash Flows for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

	Impact on cash flow on account of foreign currency translation	(960.35)	(207.46)
E-1	Cash and cash equivalents as at the beginning of year	3,314.42	651.23
E-2	Cash and cash equivalents as at end of the year	<b>8,109.18</b>	<b>3,314.42</b>
	<b>Cash and cash equivalents include</b>		
	Balances with banks:		
	– In current accounts	5,382.67	653.67
	Cash on hand	14.75	19.62
	Deposits with original maturity for less than three months	2,711.76	2,641.13
	<b>Cash and cash equivalents at the end of the year</b>	<b>8,109.18</b>	<b>3,314.42</b>

## Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	Non – current borrowings*	Current borrowings
Opening balance as at 1 April 2024	<b>39,269.30</b>	<b>23,248.15</b>
Cash flows during the year	(50.51)	19,747.86
Non-cash changes due to:		
– Foreign currency translation	-	0.30
<b>Closing balance as at 31 March 2025</b>	<b>39,218.78</b>	<b>42,996.32</b>

\*Includes current maturities of non-current borrowings and interest accrued thereon, refer Note 13.

### Notes:

- The Consolidated Statement of Cash Flows has been prepared in accordance with “Indirect Method” as set out on Indian Accounting Standard –7 on “Statement of Cash Flows”.
- Refer note 2 for material accounting policies.
- The Company paid in cash Rs. 243.35 Lacs for the year ended 31 March 2025 and Rs. 198.70 Lacs for the year ended 31 March 2024 towards Corporate Social Responsibility (CSR) expenditure.

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No. 505725

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

**Jayant Davar**  
Chairman,  
Managing Director and  
Chief Executive Officer  
DIN: 00100801

**Yashpal Jain**  
Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Archana Capoor**  
Director  
DIN: 01204170

**Aabha Bakaya**  
Director  
DIN: 05131734

Place: Gurugram  
Date : 22 May 2025

Place: Gurugram  
Date : 22 May 2025

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 1. Corporate Information

Sandhar Technologies Limited ('Parent Company') [CIN - L74999DL1987PLC029553] is a public limited company domiciled in India. The Company was incorporated on 19 October 1987 in New Delhi, India and having its registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi - 110029, India. It is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Sandhar Group (the Parent Company and its subsidiary companies together referred to as "the Group") and its joint ventures are principally engaged in the manufacturing and assembling of automotive components for the automotive industry in India, designing and manufacturing of moulds, dies and dies parts, machine tools, jigs and fixtures and fabrication and assembly and construction, agri - farm and railway products.

The consolidated financial statements for the year ended 31 March 2025 comprise financial statements of the Group and its joint ventures.

## 2. Material Accounting Policies, Principles of consolidation and Basis of preparation

### 2.1 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. .

#### i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The subsidiary companies which are included in the consolidation and the Parent Company's holding therein is as under:

S. No.	Name of the Subsidiary Company	Nature of relation	Ownership in % either directly or through subsidiaries		Country of Incorporation and Principal place of Business
			As at 31 March 2025	As at 31 March 2024	
1	Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	Subsidiary	100	100	India
2	Sandhar Technologies Barcelona S.L.	Subsidiary	100	100	Spain
A	Sandhar Technologies Poland sp. Zoo	Step Down Subsidiary	100	100	Poland
B	Sandhar Technologies de Mexico S de RL de CV	Step Down Subsidiary	100	100	Mexico
C	Sandhar Technologies Ro SRL	Step Down Subsidiary	100	100	Romania
3.	Sandhar Engineering Private Limited	Subsidiary	100	100	India
4.	Sandhar Auto Castings Private Limited	Subsidiary	100	100	India
5.	Sandhar Auto Electric Solution Private Limited	Subsidiary	100	100	India
6.	Sandhar Automotive Systems Private Limited	Subsidiary	100	100	India

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in these consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company.

## ii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of

acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

## iii. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

## iv. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in its joint ventures (JV).

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The joint venture companies which are included in the Consolidation and the Parent Company's holding therein is as under:

S. No.	Name of the Joint Venture Company	JV Partner	% Share in JV		Country of Incorporation and Principal place of Business
			As at 31 March 2025	As at 31 March 2024	
1.	Sandhar Han Sung Technologies Private Limited	Han Sung Imp Co. Limited	50	50	India
2.	Jinyoung Sandhar Mechatronics Private Limited	Jinyoung Electro-Mechanics Co. Ltd.	50	50	India
3.	Sandhar Amkin Industries Private Limited	Amkin Group Private Limited	69.12	50	India
4.	Sandhar Whetron Electronics Private Limited	Whetron Electronics Co. Ltd.	50	50	India
5.	Kwangsung Sandhar Technologies Private Limited	Kwangsung Corporation Limited	50	50	India
6.	Winnercom Sandhar Technologies Private Limited	Winnercom Co. Ltd.	50	50	India
7.	Sandhar Han Shin Auto Technologies Private Limited	Han Shin Corporation	50	50	India

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

## Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment ('PPE'), are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12

Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on Consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

arrangement contains a lease or to ascertain lease classification

## Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 19 - revenue recognition
- Note 31 - measurements of defined benefit obligations: key actuarial assumptions;
- Note 2.3 (d) - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;
- Note 2.2 (v) - fair value measurement of financial instruments;
- Note 2.3 (k) - impairment of financial and non-financial assets; and
- Note 32 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 5 & 6 - impairment assessment - key assumption underlying recoverable amount
- Note 30 - recognition and estimation of tax expenses including deferred tax.

## (v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Fair values are categorized into different levels in a

## 2.2 Basis of preparation of Consolidated Financial Statements

### (i) Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("Act").

The consolidated financial statements were approved for issue by the Board of Directors of the Company on 22 May 2025.

### (ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lacs upto two decimal points, unless otherwise indicated.

### (iii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the items which have been measured at fair value or revalued amount:

Items	Measurement basis
Certain financial assets and financial liability	Fair value
Net defined benefit plan (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation.

### (iv) Use of estimates and judgements

In preparing these Consolidated Financial Statements, management has made judgements and estimates that affect the application of the Group's 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 estimates are recognised prospectively.

## Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated Financial Statements is included in the following note:

- Note 35 - Judgement required to whether an



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36 – Financial instrument..

## (vi) Current - non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

## 2.3 Summary of material accounting policies

### (a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business

combination are measured at the basis indicated below:

- (a) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- (b) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- (c) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets held for Sale and Discontinued Operations are measured in accordance with that standard.
- (d) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

### (b) Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement

have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity joint venture, the Group recognizes its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of joint venture. If the joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The Financial Statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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recognizes the loss as 'Share of profit of a joint venture' in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

## (c) Foreign currency transactions

The Group's Consolidated Financial Statements are presented in INR, which is also the Parent Company's functional currency. For each entity the Group determines the functional currency and items included in the Financial Statements of each entity are measured using that functional currency.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition 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 at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the Separate Financial Statements of the reporting entity or the individual Financial Statements of the foreign operation, as appropriate. In the Financial Statements that include the foreign operation and the reporting entity such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation

differences on items whose fair value gain or loss is recognized in OCI or the statement of profit and loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

### Group companies

On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for Consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

### Foreign operations

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group and its joint ventures, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

## (d) Property, plant and equipment ('PPE')

### (i) Recognition and Measurement

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

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 2.2 (iv) regarding significant accounting judgements, estimates and assumptions. Capital work in progress is stated at cost, net of impairment loss, if any.

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.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

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.

A property, plant and equipment is eliminated from the Consolidated Financial Statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the Consolidated Statement of Profit and Loss.

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

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment

are reviewed at each financial year end and adjusted prospectively, if appropriate.

## (ii) Subsequent expenditure

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

## (iii) Depreciation

Depreciation on property, plant and equipment is calculated on pro rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives and is recognized in the Consolidated Statement of Profit and Loss. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset. Freehold land is not depreciated.

Leasehold land is amortized on a straight line basis over the period of the lease which ranges between 89–99 years.

The Group has used the following rates to provide depreciation which coincides with the rates indicated in Schedule II of the Act, on its PPE, except for temporary erection, Computers (Servers and networks) and Non – commercial vehicles.

Asset category	Useful lives estimated by the management (years)
Factory Buildings	30 years
Other Buildings	60 years
Carpeted RCC Roads	10 years
Tube wells	5 years
Plant and Machinery	7.5 - 20 years
Electrical Installations	10 - 25 years
Office Equipment	5 years
Racks and Bins	10 years
Furniture & Fixtures	10 - 20 years
Commercial Vehicles	8 years
Tools, Moulds and Dies	5 - 6 years

The management has estimated, supported by independent assessment by technical experts, professionals, the useful lives of the following classes of assets:

- The useful lives of temporary erection is estimated one year, which is lower than those indicated in Schedule II to the Act.
- Computers (Servers and networks) are depreciated over the estimated useful lives

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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of three years, which is lower than those indicated in Schedule II to the Act.

- Non Commercial Vehicles are depreciated over the estimated useful lives of six years, which is lower than those indicated in Schedule II to the Act.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

In case of Sandhar Technologies Barcelona S.L., the costs of acquisition of equipment, systems or installations for the elimination, reduction or control of the possible environment impacts of the business are capitalized.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

## (e) Goodwill and other intangible assets

### (i) Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss.

### (ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it

relates. All other expenditure is recognized in the Consolidated Statement of Profit and Loss as incurred.

### (iii) Amortization

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospective basis.

#### - Technical knowhow

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

#### - Software

Software purchased by the Group are amortized on a straight line basis i.e. non-standard (customized) software in four years and standard (non-customized) software in five years.

#### - Goodwill

Goodwill is not amortized but is tested for impairment annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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when the asset is derecognized.

Amortization method, useful lives and residual lives are reviewed at the end of each financial year and adjusted, if appropriate.

## (f) Non-Current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet

## (g) Capital work-in-progress and intangible assets under development

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

## (h) Capital advances

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under "other non-current assets".

## (i) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for leases with a term of less than twelve months (short-term leases) and low value assets in accordance with Ind AS 116, "leases".

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### (i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note-2.3 (k) for Impairment of non- financial assets.



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## (ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

## (iii) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognised the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

## (j) Borrowing costs

Borrowing costs includes 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), amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

## (k) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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or countries in which the entity operates, or for the market in which the asset is used.

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Consolidated Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the Consolidated Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

In regard to assets for which impairment loss has been recognized in prior period, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

## (l) Government grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as other operating revenue 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 Group receives grants of non-monetary assets, the asset 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 i.e. by equal annual instalments.

## (m) Inventories

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and components:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Companies in the Group, adopt First-in-first-out (FIFO) method for valuing raw materials, components, stores and spares (RM & Stores).
- **Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of work-in-progress (WIP) and finished goods (FG) is based on FIFO method.

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

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

## (n) Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

### Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract

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with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on delivery terms. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The Group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Company accounts for consideration payable to customer as a reduction of the transaction price and, therefore, revenue unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Company.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

### Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

### (o) Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

#### 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.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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.

#### Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

In the situations where the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax asset is recognized

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in respect of timing differences which are reversed during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets are recognized on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred income tax are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

### (p) Operating segments

#### *Basis for segmentation*

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

The Group and its joint ventures are governed by the same set of risks and returns but subject to the geographical industry trends and hence the Group and its joint ventures business activities fall within a single primary business segment. The principal geographical segments are classified as India, Europe and others since there are different risks and returns of the geographies..

### (q) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the profit or loss for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (r) Provisions (other than for employee benefits)

#### **General**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the



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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 recognized as finance cost. Expected future operating losses are not provided for.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## Warranties

Provision for warranty related costs are recognized when the product is sold or service provided and is based on historical experience. The provision is based on technical evaluation/ historical warranty data and after weighting of all possible outcomes by their associated probabilities. The estimate of such warranty related costs is revised annually. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

## Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

## (s) Employee benefits

### India

#### (i) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### (ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund, superannuation fund scheme and employee state insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### (iii) Defined benefit plans

The Group operates a defined benefit gratuity plan, which requires contributions to be made to Kotak Mahindra Old Mutual Life Insurance Limited, ICICI Prudential Life Insurance and LIC of India. There are no other obligations other than the contribution payable to the respective entities.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The

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discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

## (iv) Other long term employee benefits

### Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize 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 is classified as a long-term employee benefit. The Group 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.

As per the compensated absence encashment policy, the Group does not have an unconditional

right to defer the compensated absence of employees, accordingly the entire compensated absence obligation as determined by an independent actuary has been classified as current liability as at year end.

### Europe

In case of Sandhar Technologies Barcelona S.L. according to the sector social agreement (Convenio Siderometalurgico de la provincia de Barcelona) the Company pays 2 additional payrolls in June and December. The 2 additional payments, as well as the holiday payroll are provisioned every month on accrual basis.

## (t) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price..

### (ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and



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- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables. The Group has recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as

at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Investments representing equity interest in joint ventures are carried at cost less provision for impairment, if any.

### **Financial assets: Business model assessment**

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

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- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

## Financial asset: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingents events that would change the amounts or timings of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non - recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

## Financial assets: Subsequent measurement and gains and losses

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
<b>Debt investment at FVOCI</b>	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
<b>Equity investment at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

## Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

### (iii) Derecognition

#### Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

## Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### (v) Derivative financial instruments and hedge accounting

The Group uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit and loss.

## Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVOCI – debt instruments.

At each reporting date, the Group assesses whether financial assets carried at amortized

cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is 90 days or more past due.

## Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

## Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to Consolidated Statement of Profit and Loss and is recognized in OCI.

## Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for the recovery of amount due.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for the measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits, and advances.
- Trade receivables that result from transactions that are within the scope of Ind AS 115
- Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

## (u) Expenditure

Expenses are accounted for on the accrual basis.

## (v) Exceptional items

Exceptional items refer to items of income or expense within the Consolidated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## (w) Research and development

Expenditure on research activities is recognized in the Consolidated Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses, if any.

## (x) Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-

impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

## (y) Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 3A. Property, plant and equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office equipments	Vehicles	Furnitures and Fixtures	Total
<b>Gross carrying value as at 1 April 2023</b>	11,500.18	-	27,744.78	105,367.52	2,717.80	441.23	1,174.19	148,945.70
Additions	968.10	689.31	4,943.32	20,128.64	519.54	127.29	293.23	27,669.43
Disposals	-	-	2.27	1,980.93	128.71	52.52	20.81	2,185.24
Exchange difference on translation of foreign operations	0.49	-	10.71	285.00	5.07	-	0.23	301.50
Reclassification to assets held for sale*	28.54	-	142.60	8.21	-	-	-	179.35
<b>Gross carrying value as at 31 March 2024</b>	<b>12,440.23</b>	<b>689.31</b>	<b>32,553.94</b>	<b>123,792.02</b>	<b>3,113.70</b>	<b>516.00</b>	<b>1,446.84</b>	<b>174,552.04</b>
Additions	27.66	-	3,280.30	13,425.08	591.81	397.33	155.65	17,877.83
Disposals	-	-	-	2,246.77	37.60	109.18	0.77	2,394.32
Exchange difference on translation of foreign operations	9.21	-	201.95	1,214.11	15.58	-	1.02	1,441.87
Reclassification to assets held for sale*	2,383.63	-	544.86	-	-	-	-	2,928.49
<b>Gross carrying value as at 31 March 2025</b>	<b>10,093.47</b>	<b>689.31</b>	<b>35,491.33</b>	<b>136,184.44</b>	<b>3,683.49</b>	<b>804.15</b>	<b>1,602.74</b>	<b>188,548.93</b>
<b>Accumulated depreciation</b>								
<b>Balance as at 1 April 2023</b>	-	-	5,642.64	41,660.46	1,715.82	230.49	613.84	49,863.25
Depreciation for the year	-	-	1,176.75	10,102.31	350.84	89.96	123.77	11,843.63
Depreciation on disposal	-	-	2.27	1,543.53	126.20	52.53	20.46	1,744.99
Exchange difference on translation of foreign operations	-	-	0.37	95.49	2.50	-	-	98.36
Reclassification to assets held for sale*	-	-	89.42	6.84	-	-	-	96.26
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>6,728.07</b>	<b>50,307.89</b>	<b>1,942.96</b>	<b>267.92</b>	<b>717.15</b>	<b>59,963.99</b>
Depreciation for the year	-	-	1,284.01	11,390.01	421.85	113.81	125.36	13,335.04
Depreciation on disposal*	-	-	-	1,560.78	32.88	109.19	0.77	1,703.62
Exchange difference on translation of foreign operations	-	-	9.35	418.23	8.25	-	-	435.83
Reclassification to assets held for sale*	-	-	229.18	-	-	-	-	229.18
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>-</b>	<b>7,792.25</b>	<b>60,555.35</b>	<b>2,340.18</b>	<b>272.54</b>	<b>841.74</b>	<b>71,802.06</b>
<b>Net carrying value</b>								
<b>As at 31 March 2025</b>	<b>10,093.47</b>	<b>689.31</b>	<b>27,699.08</b>	<b>75,629.09</b>	<b>1,343.31</b>	<b>531.61</b>	<b>761.00</b>	<b>116,746.87</b>
<b>As at 31 March 2024</b>	<b>12,440.23</b>	<b>689.31</b>	<b>25,825.87</b>	<b>73,484.13</b>	<b>1,170.74</b>	<b>248.08</b>	<b>729.69</b>	<b>114,588.05</b>

\*Refer note 3D



## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 3B. Capital work in Progress

The following table presents the ageing schedule for Capital-work-in progress:

S. No	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	5,504.39	143.09	856.70	-	6,504.18
2	Project temporarily suspended	-	-	-	-	-

For Capital work in progress, whose completion is overdue to its original plan.

S No	Particulars	Amount in CWIP for a period of					Remarks
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
1	Project 1	1,167.31	-	-	-	1,167.31	Project is expected to completed by 30 June 2025.

There are no projects as at 31 March 2025 whose cost has exceeded to its original plan.

S. No	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	5,104.51	1,099.68	-	-	6,204.19
2	Project temporarily suspended	-	-	-	-	-

There are no capital work in progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2024.

### 3B. Intangible assets under development

The following table presents the ageing schedule for Intangible assets under development:

S. No	Particulars	Amount in Intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	342.00	61.87	-	-	403.87
2	Project temporarily suspended	-	-	-	-	-

S.No	Particulars	Amount in Intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	1,368.99	-	-	-	1,368.99
2	Project temporarily suspended	-	-	-	-	-

There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2025 and 31 March 2024.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 3C. Title deeds of immovable properties not held in the name of the Company

S. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value 31 March 2025	Gross carrying value 31 March 2024	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of their relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in name of the Group
1	Property, plant and equipment - Freehold Land	Plot no 44- Sector-3, IMT Manesar, Gurgaon	317.77	317.77	Adeep Roloforms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.
2	Property, plant and equipment - Freehold Land	Plot no 24- Sector-3, IMT Manesar, Gurgaon	-	192.69	Sandhar Auto Components Limited	No	28.12.2005	Property has been transferred from Sandhar Auto Components Limited to Sandhar Technologies Limited
3	Property, plant and equipment - Building	Plot no 44- Sector-3, IMT Manesar, Gurgaon	411.08	411.08	Adeep Roloforms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.
4	Property, plant and equipment - Building	Plot no 24- Sector-3, IMT Manesar, Gurgaon	-	132.55	Sandhar Auto Components Limited	No	28.12.2005	Property has been transferred from Sandhar Auto Components Limited to Sandhar Technologies Limited

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 3D. Detail of assets for sale

The following table presents the detail of Assets held for sale:

Particular	As at 31 March 2025	As at 31 March 2024
Investment in joint venture (refer note 1 below)	-	-
Assets of Peenya plant (refer note 2 below)	2,699.31	-
Assets of Mysore plant (refer note 3 below)	-	83.09
<b>Total</b>	<b>2,699.31</b>	<b>83.09</b>

- During the year ended 31 March 2025, the Company entered into share purchase agreement on 27 March 2025 for the sale of its entire 50% stake (dis-investment) in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The Company completed the sale transaction and received an amount of Rs 668.44 lacs on 15 April 2025 and accordingly, the carrying value of Company's investment of Rs Nil has been recognised under Assets held for sale.
- During the year ended 31 March 2025, the Board of Directors has decided to sell the assets of Peenya plant which was available for sale in their present conditions. The asset held for sale was measured at lower of cost and fair value less cost to sell i.e., Rs. 2,699.31 lacs.
- During the year ended 31 March 2024, the Board of Directors has decided to sell the assets of Mysore plant which was available for sale in their present conditions. The asset held for sale was measured at lower of cost and fair value less cost to sell i.e., Rs. 83.09 lacs. The asset was sold during the year, resulting in a gain on disposal of Rs. 541.29 lacs , which has been recognized under "Other income" in the statement of profit or loss.

## 4. Right-of-use asset\*

Particulars	Leasehold land	Total
<b>Gross carrying value as at 1 April 2023</b>	18,496.06	18,496.06
Additions	2,214.22	2,214.22
Disposals	1,071.49	1,071.49
Exchange difference on translation of foreign operations	67.58	67.58
<b>Gross carrying value as at 31 March 2024</b>	<b>19,706.37</b>	<b>19,706.37</b>
Additions	704.48	704.48
Disposals	339.13	339.13
Exchange difference on translation of foreign operations	231.85	231.85
<b>Gross carrying value as at 31 March 2025</b>	<b>20,303.57</b>	<b>20,303.57</b>
<b>Accumulated amortization</b>		
<b>Balance as at 1 April 2023</b>	5,080.68	5,080.68
Amortization charge for the year	2,096.73	2,096.73
Accumulated amortization on disposal	1,071.49	1,071.49
Exchange difference on translation of foreign operations	20.85	20.85
<b>Balance as at 31 March 2024</b>	<b>6,126.77</b>	<b>6,126.77</b>
Amortization charge for the year	2,168.76	2,168.76
Accumulated amortization on disposal	148.88	148.88
Exchange difference on translation of foreign operations	96.71	96.71
<b>Balance as at 31 March 2025</b>	<b>8,243.36</b>	<b>8,243.36</b>
<b>Net carrying value</b>		
<b>As at 31 March 2025</b>	<b>12,060.21</b>	<b>12,060.21</b>
<b>As at 31 March 2024</b>	<b>13,579.60</b>	<b>13,579.60</b>

\* Refer note 35

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 5. Intangible assets

Particulars	Computer software	Technical know-how	Total	Goodwill*
<b>Gross carrying value as at 1 April 2023</b>	927.82	5,461.69	6,389.51	553.30
Additions	215.12	1,975.38	2,190.50	-
Disposals	0.99	-	0.99	-
Exchange difference on translation of foreign operations	1.90	2.48	4.38	-
<b>Gross carrying value as at 31 March 2024</b>	<b>1,143.85</b>	<b>7,439.55</b>	<b>8,583.40</b>	<b>553.30</b>
Additions	313.93	1,271.57	1,585.50	-
Disposals	0.22	-	0.22	-
Exchange difference on translation of foreign operations	8.34	19.67	28.01	-
<b>Gross carrying value as at 31 March 2025</b>	<b>1,465.90</b>	<b>8,730.79</b>	<b>10,196.69</b>	<b>553.30</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 1 April 2023</b>	633.10	1,596.65	2,229.75	-
Amortisation for the year	147.34	1,281.53	1,428.87	-
Accumulated amortisation on disposal	0.48	-	0.48	-
Exchange difference on translation of foreign operations	1.48	1.33	2.81	-
<b>Balance as at 31 March 2024</b>	<b>781.44</b>	<b>2,879.51</b>	<b>3,660.95</b>	<b>-</b>
Amortisation for the year	158.40	1,411.92	1,570.32	-
Amortisation on disposal	0.21	-	0.21	-
Exchange difference on translation of foreign operations	7.09	8.97	16.06	-
<b>Balance as at 31 March 2025</b>	<b>946.72</b>	<b>4,300.40</b>	<b>5,247.12</b>	<b>-</b>
<b>Net carrying value</b>				
<b>As at 31 March 2025</b>	<b>519.18</b>	<b>4,430.39</b>	<b>4,949.57</b>	<b>553.30</b>
<b>As at 31 March 2024</b>	<b>362.41</b>	<b>4,560.04</b>	<b>4,922.45</b>	<b>553.30</b>

#### \* Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

"The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.
- The terminal growth rate ranges from 2% to 3% representing management view on the future long-term growth rate.
- Discount rate ranging from 8% to 10% for all periods presented was applied in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and companies average weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 6. Equity accounted investees

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Investment in equity shares (unquoted)</b>		
<b>Non Current</b>		
<b>In joint ventures</b>		
1,72,20,600 (31 March 2024: 1,72,20,600) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	1,270.85	1,121.33
68,64,988 (31 March 2024: 68,64,988) equity shares of Rs. 10/- each fully paid-up in Jinyoung Sandhar Mechatronics Private Limited	-	-
2,66,20,000 (31 March 2024: 2,66,20,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Amkin Industries Private Limited	1,707.35	1,427.75
97,84,500 (31 March 2024: 97,84,500) equity shares of Rs. 10/- each fully paid-up in Sandhar Whetron Electronics Private Limited	994.92	899.19
1,00,84,555 (31 March 2024: 1,00,84,555) equity shares of Rs. 10/- each fully paid-up in Kwangsung Sandhar Technologies Private Limited	300.88	216.40
27,50,000 (31 March 2024: 27,50,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Shin Auto Technologies Private Limited	484.65	271.27
4,00,000 (31 March 2024: 4,00,000) equity shares of Rs. 100/- each fully paid-up in Winnercom Sandhar Technologies Private Limited	674.69	527.54
9,86,550 (31 March 2024: 9,86,550) equity shares of Rs.10/- each fully paid-up in Kwangsung Sandhar Automotive Systems Private Limited	98.66	98.66
<b>Total equity accounted investees</b>	<b>5,532.00</b>	<b>4,562.14</b>
Less: Loss allowance in investment value (investment in joint ventures) *	-	(231.70)
Total aggregate amount of impairment in the value of investments	-	(231.70)
<b>Total equity accounted investees (net of impairment)</b>	<b>5,532.00</b>	<b>4,330.44</b>

#### \*Breakup of impairment in the value of investments

- During the year ended 31 March 2025, the Company conducted an impairment review of its investment in equity shares of Sandhar Whetron Electronics Private Limited. Based on the updated assessment, the recoverable amount of the investment, determined using the value-in-use method, exceeded its carrying amount. As a result, the Company has reversed the impairment loss of Rs. 231.70 lacs that was previously recognized during the earlier years.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 7. Financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Investments</b>		
<b>Non – current</b>		
Investments in joint ventures		
<b>(i) Investments in preference shares (Unquoted)</b>		
65,03,750 (31 March 2024: 65,03,750) preference shares of Rs. 10/- each fully paid-up in Jinyoung Sandhar Mechatronics Private Limited	-	-
23,43,000 (31 March 2024: 23,43,000) preference shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	234.38	234.38
<b>Investments at fair value through profit and loss</b>		
<b>(ii) Non Trade investment (Unquoted)</b>		
20,000 (31 March 2024: 20,000) shares of Rs. 10/- each fully paid-up in VNM Polymers Private Limited	194.10	162.49
<b>Total</b>	<b>428.48</b>	<b>396.87</b>
<b>Current</b>		
<b>(i) Investment in unquoted mutual funds measured at fair value through profit and loss</b>		
ICICI Equity and Debt Fund - Growth Nil units (31 March 2024: 2,56,309.543 units)	-	863.43
ICICI Prudential Large and Mid Cap Fund - Growth 5,071.05 units (31 March 2024: 12,054.416 units)	46.93	99.98
ICICI Prudential Multi-Asset Fund - Growth Nil units (31 March 2024: 7,870.680 units)	-	50.00
ICICI Prudential Equity and Debt Fund - Growth 13,134.42 Units (March 31, 2024 : Nil Units)	48.43	-
<b>Total</b>	<b>95.36</b>	<b>1,013.41</b>
<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
<b>B. Loans</b>		
<b>Current</b>		
Loans to employees	34.45	44.91
<b>Total</b>	<b>34.45</b>	<b>44.91</b>
<b>Break up of total loans</b>		
(a) Unsecured and considered good	34.45	44.91
	<b>34.45</b>	<b>44.91</b>
<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
<b>C. Trade receivables</b>		
(unsecured and considered good, unless otherwise stated)		
<b>Current</b>		
Trade receivables (unsecured and considered good, unless otherwise stated)*	54,720.00	44,814.97
Unbilled revenue	1,010.22	938.26
<b>Total</b>	<b>55,730.22</b>	<b>45,753.23</b>
<b>Break-up of trade receivables</b>		
Unsecured, considered good	55,730.22	45,753.23
Trade receivables – credit impaired	316.04	299.81
	<b>56,046.26</b>	<b>46,053.04</b>
Less: Loss allowance	316.04	299.81
	<b>55,730.22</b>	<b>45,753.23</b>



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Trade receivables ageing schedule as on 31 March 2025

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months*	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables- considered good	54,746.41	691.23	270.70	20.53	1.35	55,730.22
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables- credit impaired	-	-	-	16.23	299.81	316.04
iv) Disputed trade Receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	(16.23)	(299.81)	(316.04)

\*Includes unbilled revenue of Rs 1,010.22 lacs and not due of Rs 42,291.77 lacs

## Trade receivables ageing schedule as on 31 March 2024

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months*	6 months - 1 year	1-2 year	2-3 years	More than 3 years	
i) Undisputed trade receivables- considered good	45,322.96	378.52	51.75	-	-	45,753.23
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables- credit impaired	-	-	-	-	299.81	299.81
iv) Disputed trade Receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	-	(299.81)	(299.81)

\*Includes unbilled revenue of Rs 938.26 lacs and not due of Rs 35,805.49 lacs

\* For explanations on the Group's credit risk management processes, refer to Note -38

For dues receivables from related parties refer to Note -33

Particulars	As at 31 March 2025	As at 31 March 2024
<b>D. Cash and cash equivalents</b>		
Balances with banks		
- In current accounts	5,382.67	653.67
Cash on hand	14.75	19.62
Deposits with original maturity for less than three months	2,711.76	2,641.13
<b>Total</b>	<b>8,109.18</b>	<b>3,314.42</b>

Particulars	As at 31 March 2025	As at 31 March 2024
<b>E. Other bank balances</b>		
In current account for equity dividend	2.72	1.67
Deposits with original maturity for more than 3 months but less than 12 months*	19.26	236.26
<b>Total</b>	<b>21.98</b>	<b>237.93</b>

\*These deposits are held as margin money deposits with government authorities.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>F. Other financial assets</b>		
<b>Non current</b>		
Security deposits	2,245.91	1,818.26
Interest accrued but not due on fixed deposits	18.22	-
Bank deposit with original maturity of more than 12 months	125.65	139.67
<b>Total</b>	<b>2,389.78</b>	<b>1,957.93</b>
<b>Current</b>		
Security deposits	419.73	5.92
Bank deposit with original maturity of more than 12 months	27.08	-
Interest accrued but not due on fixed deposits	8.86	29.79
Other advances recoverable	557.97	851.20
<b>Total</b>	<b>1,013.64</b>	<b>886.91</b>
<b>Total financial assets (A+B+C+D+E+F)</b>	<b>67,823.09</b>	<b>53,605.61</b>
<b>Break up of financial assets carried at amortised cost</b>		
Security deposits	2,665.64	1,824.18
<b>Total financial assets carried at amortised cost</b>	<b>2,665.64</b>	<b>1,824.18</b>

### 8. Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials {includes goods in transit of Rs. 766.45 Lacs (31 March 2024: Rs. 519.00 Lacs)}	18,230.56	15,488.18
Work in progress	4,789.72	3,695.97
Finished goods {includes goods in transit of Rs. 930.17 Lacs (31 March 2024: Rs. 631.33 Lacs)}	7,741.38	6,365.49
Stores and spares	10,269.93	8,221.82
	<b>41,031.59</b>	<b>33,771.46</b>
Provision for inventory obsolescence	(83.05)	(81.66)
<b>Total inventories at the lower of cost and net realisable value</b>	<b>40,948.54</b>	<b>33,689.80</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 9. Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non – current</b>		
<b>A. Capital advances</b>		
(Unsecured and considered good, unless otherwise stated)		
Unsecured and considered good (refer note 40)	11,730.50	738.43
<b>Total capital advances</b>	<b>11,730.50</b>	<b>738.43</b>
<b>B. Prepaid expenses</b>		
Prepaid expenses	93.97	-
	<b>93.97</b>	<b>-</b>
<b>C. Income-tax asset</b>		
Advance income-tax (net of provision for taxation) (refer note 17)	1,039.42	1,107.90
<b>Total income-tax asset</b>	<b>1,039.42</b>	<b>1,107.90</b>
<b>Total (A+B+C)</b>	<b>12,863.89</b>	<b>1,846.33</b>
<b>Current</b>		
<b>D. Other advances</b>		
Unsecured, considered good.	2,495.10	1,566.04
<b>Total other advances</b>	<b>2,495.10</b>	<b>1,566.04</b>
<b>E. Prepaid expenses</b>		
Prepaid expenses	1,355.21	906.78
	<b>1,355.21</b>	<b>906.78</b>
<b>F. Balance with statutory / government authorities</b>		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good	2,909.44	4,383.89
Doubtful	14.61	14.61
	<b>2,924.05</b>	<b>4,398.50</b>
Less: Provision for other doubtful advances	(14.61)	(14.61)
<b>Total balance with statutory / government authorities</b>	<b>2,909.44</b>	<b>4,383.89</b>
<b>Total (D+E+F)</b>	<b>6,759.75</b>	<b>6,856.71</b>

### 10. Share capital

#### A. Authorised share capital

Particulars	As at 31 March 2025	As at 31 March 2024
6,80,00,000 equity shares of Rs.10 each (31 March 2024: 6,80,00,000 equity shares of Rs.10 each)	6,800.00	6,800.00
2,00,000 preference shares of Rs.100 each (31 March 2024: 2,00,000 preference shares of Rs.100 each) "	200.00	200.00
	<b>7,000.00</b>	<b>7,000.00</b>

#### B. Issued, subscribed and fully paid equity capital

Particulars	As at 31 March 2025	As at 31 March 2024
6,01,90,708 equity shares of Rs. 10 each fully paid up (31 March 2024: 6,01,90,708 equity shares of Rs. 10 each)	6,019.07	6,019.07
	<b>6,019.07</b>	<b>6,019.07</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### C. Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Equity shares outstanding at the beginning of the year	60,190,708	6,019.07	60,190,708	6,019.07
Issued during the year	-	-	-	-
Outstanding at the end of the year	60,190,708	6,019.07	60,190,708	6,019.07

### Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having par value of Rs.10 per share (31 March 2024: Rs.10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The Board of Directors at its Meeting held on 23 May 2024, had recommended a final dividend @ 32.5% i.e. Rs. 3.25 per equity share, which has been approved by shareholders in Annual General Meeting held on 24 September 2024. The same has been paid.

The Board of Directors at its Meeting held on 22 May 2025, has recommended a final dividend @ 35% i.e. Rs. 3.50 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

In the event of liquidation of the Company, the share holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	%	Number	%
Jayant Davar*	33,056,928	54.92%	32,270,978	53.61%

\* 90,909 Equity Shares are held by Mr. Jayant Davar in his Capacity as proprietor of Sandhar Enterprises

### Details of shares held by promoters as at 31 March 2025

Particulars	No. of shares (1 April 2024)	Change during the year	No. of shares (31 March 2025)	% change during the year	% of shareholding
Jayant Davar	32,270,978	785,950	33,056,928	2.44%	54.92%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Dharmendar Nath Davar	-	-	-	0.00%	0.00%
Santosh Davar	785,950	(785,950)	-	(100.00%)	0.00%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Details of shares held by promoters as at 31 March 2024

Particulars	No. of shares (1 April 2023)	Change during the year	No. of shares (31 March 2024)	% change during the year	% of shareholding
Jayant Davar	31,431,396	839,582	32,270,978	2.67%	53.61%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Dharmendar Nath Davar	839,582	(839,582)	-	(100.00%)	0.00%
Santosh Davar	785,950	-	785,950	0.00%	1.31%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

## 11. Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Capital reserve</b>		
At the beginning and end of the year	3,915.46	3,915.46
<b>Securities premium</b>		
At the beginning and end of the year	27,859.67	27,859.67
<b>Retained earnings</b>		
Balance at the beginning of the year	62,972.36	53,501.76
Adjustment on account of acquisition of interest in subsidiary	-	0.62
Add: Profit for the year	14,164.24	10,977.76
Less: Final dividend on equity shares	(1,956.20)	(1,507.78)
<b>Balance at the end of the year</b>	<b>75,180.40</b>	<b>62,972.36</b>
<b>Other comprehensive income</b>		
<b>a. Exchange differences on translation of foreign operations</b>		
Balance at the beginning of the year	1,038.43	994.14
Exchange differences on translation	260.07	59.05
Income tax relating to Exchange differences on translation	(65.02)	(14.76)
<b>Balance at the end of the year</b>	<b>1,233.48</b>	<b>1,038.43</b>
<b>b. Remeasurements of defined benefit liability</b>		
Balance at the beginning of the year	(145.80)	(244.91)
Re-measurement (loss)/ gain on defined benefit liabilities	(176.10)	139.06
Income tax relating to re-measurement (loss)/ gain on defined benefit liabilities	43.94	(39.95)
<b>Balance at the end of the year</b>	<b>(277.96)</b>	<b>(145.80)</b>
<b>Total other equity</b>	<b>107,911.05</b>	<b>95,640.12</b>

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Nature and purpose of other equity

### 1. Capital Reserve

This represents Capital reserve created during the year ended 31 March 2013, consequent to the approval by the Hon'ble High Court of Delhi of the scheme of amalgamation of MAG Engineering Private Limited with the Company and will be utilised as per the requirements of the Companies Act, 2013.

### 2. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

### 3. Re-measurements of defined benefit obligation

Re-measurements of defined benefit obligation comprises actuarial gains and losses.

### 4. Retained Earnings

This represents the cumulative profits for the Group.

## 12. Non – controlling interest

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Sandhar Tooling Private Limited</b>		
Balance at the beginning of the year	-	446.32
Share of profit for the year	-	48.34
Acquisition of minority interest in Subsidiary	-	(494.66)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
Revenue	-	1,363.87
Profit	-	240.78
Other comprehensive income	-	(8.02)
<b>Total comprehensive income</b>	<b>-</b>	<b>232.76</b>
Profit allocated to non-controlling interest	-	48.34
Other comprehensive income allocated to non-controlling interest	-	-
<b>Total comprehensive income allocated to non-controlling interest</b>	<b>-</b>	<b>48.34</b>
Cash flows generated from operating activities	-	48.82
Cash flows (used in)/ generated from investing activities	-	(41.10)
Cash flows used in financing activities	-	(3.01)
<b>Net increase in cash and cash equivalents</b>	<b>-</b>	<b>4.71</b>

During the current year ended 31 March 2024, the Group has acquired 12,05,000 equity shares (equivalent to 20.08% of total paid up share capital) of Sandhar Ascst Private Limited (formerly known as Sandhar Tooling Private Limited) (subsidiary company) at Rs 41 per equity share aggregating to Rs 494.05 lakhs. As on acquisition date, carrying amount of such non-controlling interest acquired was Rs 494.66 lakhs and difference of Rs 0.62 lakhs was adjusted through retained earnings.



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 13. Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Non-current</b>		
<b>Term Loans</b>		
Indian rupee loan from banks (secured) (refer note A,B)	14,597.37	11,838.86
Indian rupee loan from others (secured) (refer note C,D)	3,695.34	5,572.13
EUR loan from Bankinter (unsecured) (refer note L)	469.49	643.81
EUR Loan multiple bankers ICO COVID19 (unsecured) (refer note H)	24.01	331.69
EUR Credit multiple bankers ICO COVID19 (unsecured) (refer note H)	956.17	993.34
USD Loan from Banamex (secured) (refer note I)	233.83	461.51
EUR loan in B. Transilvania (STR) (unsecured) (refer note M)	4,965.45	5,283.58
EUR Loan from ICF (unsecured) (refer note F)	1,232.59	1,758.52
EUR Loan from ICICI Bank (secured) (refer note J)	79.46	437.95
EUR loan from BBVA (secured) (refer note K)	322.03	443.25
Lease financing loans from financial institutions (secured) (refer note G)	645.01	790.26
<b>Total</b>	<b>27,220.75</b>	<b>28,554.90</b>
<b>Secured</b>	<b>19,573.04</b>	<b>19,543.96</b>
<b>Unsecured</b>	<b>7,647.71</b>	<b>9,010.94</b>
<b>B. Current</b>		
<b>a) Current maturities of long term borrowings</b>		
Indian rupee loan from banks (secured) (refer note A,B)	7,174.83	4,833.16
Indian rupee loan from others (secured) (refer note C)	2,239.30	2,208.05
EUR Loan from Santander (unsecured) (refer note E)	-	152.17
EUR loan from Bankia (unsecured) (refer note L)	191.52	173.18
EUR Loan multiple bankers ICO COVID19 (unsecured) (refer note H)	316.83	634.47
USD Loan from Banamex (secured) (refer note I)	133.62	546.02
EUR Loan from ICF (unsecured) (refer note F)	574.41	988.41
EUR loan from BBVA (secured) (refer note K)	133.71	127.60
EUR loan in B. Transilvania (STR) (unsecured) (refer note M)	471.60	344.01
EUR Loan from ICICI Bank (secured) (refer note J)	370.82	360.66
Lease financing loans from financial institutions (secured) (refer note G)	299.15	297.43
<b>Total Current maturities of long term borrowings</b>	<b>11,905.79</b>	<b>10,665.16</b>
<b>b) Cash credit from banks (secured) (refer note N)</b>		
Cash credit/WCDL/Buyer's line of credit from banks (secured by CL, CGT or SBLC from parent Company or by invoices financed)	41,483.43	22,545.34
<b>c) Credit card payables (unsecured) (refer note O)</b>	1,512.89	702.81
<b>Total</b>	<b>54,902.11</b>	<b>33,913.31</b>
Aggregate secured loans	51,834.86	30,918.25
Aggregate unsecured loans	3,067.25	2,995.06
<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
<b>Terms of borrowings</b>		
A. Term loan from CITI Bank Indian rupee Loan of Rs. 750,000,000 and Rs. 350,000,000 carries interest rate of 8.50% - 9.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 46,875,000 from January, 2023 and Rs. 21,875,000 from June, 2025.	13,756.43	8,656.25

**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
B. Term loan from Kotak Mahindra Bank Indian rupee Loan of Rs. 714,128,990 carries interest rate of 8.00% - 9.00% p.a. The loan is repayable in 16 quarterly instalments of Rs. 23,953,982 from June, 2023 and term loan from Federal Bank Indian rupee Loan of Rs. 380,490,758 carries interest rate of 8.00% - 9.00% p.a. The loan is repayable in quarterly instalments Rs. 50,000,000 from April, 2023.	8,015.77	8,015.77
C. Term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 400,000,000 carries interest rate of 8.00%-8.40% p.a. The loan is repayable in 16 quarterly instalments of Rs. 125,00,000 from April, 2023.	1,404.46	3,250.00
D. Term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 483,218,765 carries interest rate of 8.20% p.a. The loan is repayable in 16 quarterly instalments of Rs. 30,201,173 from January, 2024.	4,530.18	4,530.18
E. EUR loan from Santander carries interest @ 1.95% p.a. repayable in 24 monthly instalments of EUR 6,250 (plus interest) from May 2020 to April 2022. New loan from Santander carrying interest @ 2.25% repayable in 24 monthly instalments of EUR 21,325.10 (interest included) from Dec. 2022 to Nov. 2024.	-	152.17
F. EUR loan from ICF first for 2,500 KEUR, carrying interest 5.89% p.a. (12 mnth Euribor+2.5%) repayable in 48 monthly instalments of Eur 76,622 from November 2022 to August 2025, second of 920 Keur, payable in 71 instalments of Eur12,777.77 (plus interest, 5.174%) and 1 last instalment of EUR12,778.33 (plus interest) from Jan. 2024 to Dec. 2029, with Moratory period from Dec. 2021 to Dec. 2023 third for 1000 KEUR with Moratory period from March to August 2023 repayable in 114 installments of 11,267.89 EUR, including interest of 5.23% (12 mnth Euribor+2.7%)	1,807.00	2,746.93
G. Lease financing loans from financial institutions (Some of which with Comfort letter from Parent company), carries interest @ 1.75% to 5.97%, monthly instalment ranging from Eur 168 to EUR 16,911 (Secured).	944.16	1,087.69
H. EUR loan multiple bankers ICO COVID19 carry interest @ 1.5% to 3.55% (average 2%), repayable from 3 to 5 years in monthly instalment ranging from Eur 3,222 to EUR 38,000.	1,297.01	1,959.50
I. Loan from Banamex in STM (SBLC guarantee from Parent Company) carries interest of USD SOFR+1.4% payable in 16 quarterly installments of USD 125,000 from July 2021 to January 2025 and USD 0.625 Mln Loan from Banamex in STM (Corporate guarantee from STL) carries interest of USD SOFR +1.4% payable in 16 quarterly installments of USD 39,063 from February 2024 to November 2028.	367.45	1,007.53
J. EUR loan from ICICI Bank (Corporate guarantee from Parent company), carries interest of 3.25% repayable from in 17 quarterly installments of EUR 100,240 (plus interest) from March 2022 to March 2026 and a last installment of EUR 85,920 (plus interest) in June 2026.	450.28	798.61
K. EUR loan from BBVA (Corporate guarantee from Parent company), carries interest of 1.90% repayable in 84 months installments of EUR12,723.38 (including interest) from August 2021 to July 2028.	455.74	570.85
L. EUR loan from Bankinter (Unsecured) carries interest @ 5.27% (12 month Euribor +2.82) repayable in 60 monthly instalments of Eur 13,480.22 (including interest) from Apr. 2023 to Mar, 2028. It has 1 year moratory period from Apr. 2022 to Mar, 2023. And 350 KEUR loan from Bankinter (Unsecured) carries interest @ 4.85% (12 months Euribor+2.23%) repayable in 60 monthly instalments of Eur 6629.98 (including interest) from Dec. 2023 to Nov 2028. It has 1 year moratory period from Nov. 2022 to Dec 2023.	661.01	816.99
M. EUR loan in B. Transilvania (STR) (Unsecured) carries interest @ 4.436% (3 month Euribor+1.7%) for both loans; one for building of EUR 2,549,616.00 repayable in 10 years and another is for Machinery of EUR 3,966,708.81 but can be drawn until EUR 6,500,000 and repayable in 11 years.	5,437.05	5,627.59
N. Cash credits from banks are secured by way of first pari passu charge on the inventory and books debts of the Company.	41,483.43	22,545.34
O. Credit card payable	1,512.89	702.81

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Above term loans are secured by:

1. First pari passu charge on the entire present and future movable property, plant and equipment of the borrower excluding those assets which are specifically funded by other lenders/financial institutions
2. First pari passu charge on immovable properties, of the borrower as detailed below:
  - i. 4, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
  - ii. 3, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
  - iii. Plant at Village Dhumaspur, P.O Badshahpur, Gurgaon
  - iv. Plot no. 24, Sector 3, IMT Manesar, Haryana
  - v. Plot no. 44, Sector 3, IMT Manesar, Haryana
  - vi. Plot no. 8, Bommasandra- Jigani Link Road Industrial Area, Hubli
  - vii. Plot # 12c, Sy No. 47 & 50, KIADB, Bangalore
  - viii. Plot # 13a, Sy No. 47 & 50, KIADB, Bangalore
  - ix. Sandhar Himachal, Bharatgarh Road, Tehsil Nalagarh, District Solan, Himachal Pradesh
  - x. Plot No. 7A, KIADB Industrial Area, Attibele Hobli, Anekal Taluk, Bangalore

## Disclosures as per revised schedule III to the Companies Act, 2013

1. The Group has utilised the borrowings for the purpose it was taken.
2. The quarterly statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.

## 14. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables of micro enterprises and small enterprises	11,795.55	10,629.57
Trade payables other than micro enterprises and small enterprises	39,069.82	36,075.38
Acceptances*	2,234.77	2,323.28
<b>Total trade payables</b>	<b>53,100.14</b>	<b>49,028.23</b>

## Terms and conditions of the above financial liabilities

For explanations on the Company's credit risk management processes, refer to Note 38.

For dues payables to related parties refer to Note -33

\*Acceptances are arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Group continues to recognise the liability till settlement with the banks/financial institutions, which are normally effected within a period of 90 days.

## Trade Payables ageing schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	11,772.59	0.03	5.49	17.44	11,795.55
(ii) Others	40,477.11	790.68	30.35	6.45	41,304.59
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### Trade Payables ageing schedule as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	10,549.95	9.26	68.33	2.03	10,629.57
(ii) Others	38,357.97	22.69	2.23	15.77	38,398.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

### 15. Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non-current</b>		
Lease liabilities (refer note 35)	8,216.87	9,689.36
Other financial liabilities	1,719.85	-
Payables for capital goods	1,025.94	725.52
<b>Total</b>	<b>10,962.66</b>	<b>10,414.88</b>
<b>Current</b>		
Payables for capital goods *	2,525.29	4,693.44
Interest accrued but not due	27.06	3.58
Interest accrued and due on borrowings	65.18	45.67
Unpaid equity dividend	2.72	1.67
Security deposit payable	92.22	94.17
Provision for interest -MSME	246.39	211.47
Other financial liabilities	1,416.28	-
<b>Total</b>	<b>4,375.14</b>	<b>5,050.00</b>
Lease liabilities (refer note 35)	2,035.61	1,945.77
	<b>2,035.61</b>	<b>1,945.77</b>

\*For dues payables to related parties refer to Note -33

### 16. Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advance from customers	2,019.39	1,127.18
Statutory dues	3,251.62	2,573.22
Other payables	538.23	852.64
<b>Total</b>	<b>5,809.24</b>	<b>4,553.04</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 17. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Provision for employee benefits</b>		
<b>Non-current</b>		
Provision for gratuity (refer note 31)	227.11	175.50
Provision for compensated absences	-	98.18
	<b>227.11</b>	<b>273.68</b>
<b>Current</b>		
Provision for gratuity (refer note 31)	537.11	181.27
Provision for compensated absences	1,071.21	976.29
	<b>1,608.32</b>	<b>1,157.56</b>
<b>Other provisions</b>		
<b>Current</b>		
Provision for income tax (net) (refer note 9B)	248.87	1,056.95
Provision for warranties*	104.91	100.80
<b>Total</b>	<b>353.78</b>	<b>1,157.75</b>
<b>*Provision for warranties</b>		
At the beginning of the year	100.80	90.40
Accrued during the year	140.38	117.88
Utilised during the year	(136.27)	(107.48)
At the end of the year	104.91	100.80

Provision is recognized for expected warranty claims on products sold during the last two to five years, based on past experience of level of repairs and returns. It is expected that the most of this cost will be incurred in the next financial year. Assumption used to calculate the provision for warranties were based on current sales level and current information available about returns based on the two to five year warranty period for all products sold.

### 17A. Government grant

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non-current</b>		
<b>Balance at the beginning of the year</b>	4,186.22	2,157.19
Received during the year	457.90	2,216.45
Recognised in the statement of profit and loss	(217.02)	(187.42)
<b>Balance at the year end</b>	<b>4,427.10</b>	<b>4,186.22</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 18. Deferred tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Items leading to creation of deferred tax assets</b>		
-Post-employment benefits	459.50	343.74
-Provision for doubtful debt & advances	80.00	75.00
-Employee benefits	206.20	210.07
-Unabsorbed depreciation and business losses	919.51	933.58
-Fair value measurement	96.00	125.00
-Impact of IND-AS 116	52.60	211.67
<b>Total deferred tax assets</b>	<b>1,813.81</b>	<b>1,899.06</b>
<b>Items leading to creation of deferred tax liabilities</b>		
-Property, plant and equipment: Impact of difference between tax and depreciation/amortisation charged for the financial reporting	295.15	1,228.04
-Impact of IND-AS 116	411.16	346.14
-Fair value measurement	-	58.91
<b>Total deferred tax liabilities</b>	<b>706.31</b>	<b>1,633.09</b>
<b>Net deferred tax assets/ (liabilities)</b>	<b>1,107.50</b>	<b>265.97</b>
<b>Reflected in the balance sheet as follows:</b>		
Deferred tax assets	1,155.50	1,096.71
Deferred tax liabilities	(48.00)	(830.74)
<b>Net deferred tax assets/ (liabilities)</b>	<b>1,107.50</b>	<b>265.97</b>

### 19. Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products	372,746.41	338,857.84
Sale of services	11,086.43	8,305.54
<b>Other operating revenue</b>		
Scrap sale	4,598.33	4,638.13
Technical charges	19.05	309.28
<b>Revenue from operations</b>	<b>388,450.22</b>	<b>352,110.79</b>

### 20. Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit on sale of short term investment	86.83	1.64
Profit on sale of property, plant and equipment	264.95	-
Government grant	218.25	188.67
Interest from bank	124.23	26.17
Interest from others	134.91	124.53
Interest income on security deposits measured at amortised cost	111.22	73.64
Gain on investments carried at fair value through profit or loss	26.99	301.67
Liabilities no longer required written back	-	11.16
Other miscellaneous income	686.03	351.51
	<b>1,653.41</b>	<b>1,078.99</b>



## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 21. Cost of raw material and components consumed

#### Raw material and components consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	15,488.18	13,293.52
Add: Purchases during the year	243,456.98	217,482.10
	<b>258,945.16</b>	<b>230,775.62</b>
Less: Inventory at the end of the year	18,230.56	15,488.18
<b>Cost of raw material and components consumed</b>	<b>240,714.60</b>	<b>215,287.44</b>
Adjustment on account of exchange difference	23.06	5.40
<b>Cost of raw material and components consumed</b>	<b>240,737.66</b>	<b>215,292.84</b>

### 22. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Closing inventories</b>		
Finished goods	7,741.38	6,365.49
Work in progress	4,789.72	3,695.97
Adjustment on account of exchange difference	(159.09)	(54.57)
<b>Total (A)</b>	<b>12,372.01</b>	<b>10,006.89</b>
<b>Opening inventories</b>		
Finished goods	6,365.49	5,376.48
Work in progress	3,695.97	4,228.54
Adjustment on account of exchange difference	9.11	(4.92)
<b>Total (B)</b>	<b>10,070.57</b>	<b>9,600.10</b>
<b>Changes in inventories of finished goods and work-in-progress</b>	<b>(2,301.44)</b>	<b>(406.79)</b>

### 23. Employee benefit expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	47,216.79	42,588.45
Contribution to provident and other funds	2,934.32	2,977.42
Staff welfare expenses	2,434.70	2,286.51
Gratuity expense (refer note 31)	347.70	310.03
	<b>52,933.51</b>	<b>48,162.41</b>

### 24. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment	13,335.04	11,843.63
Amortisation on right-of-use assets	2,168.76	2,096.73
Amortisation on intangible assets	1,570.32	1,428.87
	<b>17,074.12</b>	<b>15,369.23</b>
Less: Depreciation on plant and machinery capitalised during the year	14.00	7.16
	<b>17,060.12</b>	<b>15,362.07</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 25. Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	10,410.70	12,827.80
Packing material	3,732.51	3,542.32
Job work charges	7,393.92	6,997.41
Rent	910.44	385.74
Rates and taxes	402.34	399.93
Insurance	556.00	577.26
Freight and forwarding charges	4,638.75	4,072.99
Power and fuel	15,902.97	13,931.10
Repairs and maintenance		
- Buildings	394.10	472.24
- Plant and machinery	3,460.56	3,025.12
- Others	2,341.49	1,884.88
Legal and professional charges*	1,900.72	1,524.55
Travelling and conveyance	838.44	701.64
CSR expenditure**	243.35	198.70
Service contractor charges	246.03	175.76
Business and sales promotion	26.24	9.17
Printing and stationery	2.33	3.34
Provision for doubtful debts and advances	16.23	1.20
Bad debts and advances written off	43.50	0.22
Loss on sale of property, plant and equipment	-	27.47
Loss on sale of investment	-	4.61
Provision for warranties (net of reversal)	140.38	117.88
Royalty	122.03	127.12
Commission to directors	767.43	644.59
Directors sitting fee	32.55	32.90
Security service charges	877.72	806.77
Testing and development expenses	136.22	115.97
Festival and celebration expenses	68.88	91.43
Foreign exchange fluctuation loss (net)	269.42	9.19
Miscellaneous expenses	2,879.85	2,292.12
<b>Total other expenses</b>	<b>58,755.10</b>	<b>55,001.42</b>

#### \* Payment to auditors

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>As auditor</b>		
- Audit fees	53.00	50.00
- Limited review	12.00	12.00
<b>In other capacity</b>		
- Other services (certification fees)	3.50	5.25
- Reimbursement of expenses	1.25	5.91
<b>Total</b>	<b>69.75</b>	<b>73.16</b>

\* Paid to other auditors Rs 54.53 lacs (31 March 2024 - Rs 50.64 lacs)

**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

\*\* Disclosure relating to CSR expenditure

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013	234.04	187.80
(b) Amount approved by the Board of Directors to be spent during the year	252.50	187.80
(c) Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	243.35	198.70
(d) Excess amount spent on CSR as per Section 135(5) of the Companies Act, 2013:		
(i) Opening balance	10.90	-
(ii) Amount required to be spent during the year	234.04	187.80
(iii) Amount spent during the year	243.35	198.70
(iv) Closing balance	20.20	10.90
(e) Total of previous year shortfall	-	-
(f) Reason for shortfall	-	-
(g) Nature of CSR activities	Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others	Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others

## 26. Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest to banks/ financial institutions		
- Term loan	2,342.58	2,834.03
- Cash credit	886.86	228.50
- Others	1,451.66	1,132.30
Interest to others	122.12	90.47
Finance charges	17.29	16.85
Bank charges	247.67	221.43
Interest on lease liabilities (refer note 35)	592.71	628.19
<b>Total finance costs</b>	<b>5,660.89</b>	<b>5,151.77</b>

## 27. Exceptional Items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Impairment loss reversal on investment in joint venture (refer note 6)	231.70	-
<b>Total Exceptional Items</b>	<b>231.70</b>	<b>-</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 28. Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2025

Particulars	Retained earnings	Total
Re-measurement loss on defined benefit liabilities	(176.10)	(176.10)
Tax impact on re-measurement loss on defined benefit liabilities	43.94	43.94
Exchange differences in translating the financial statements of foreign operations	260.07	260.07
Tax impact on translating the financial statements of foreign operations	(65.02)	(65.02)
	<b>62.89</b>	<b>62.90</b>

During the year ended 31 March 2024

Particulars	Retained earnings	Total
Re-measurement gain on defined benefit liabilities	139.06	139.06
Tax impact on re-measurement gain on defined benefit liabilities	(39.95)	(39.95)
Exchange differences in translating the financial statements of foreign operations	59.05	59.05
Tax impact on translating the financial statements of foreign operations	(14.76)	(14.76)
	<b>143.40</b>	<b>143.40</b>

### 29. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity holders of the Company	14,164.24	11,026.10
Weighted average number of equity shares used for computing Earning per Share (Basic and Diluted)	60,190,708	60,190,708
Earning Per Share (Basic and Diluted) (Rs)	23.53	18.32
Face value per share (Rs)	10	10

**Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share**

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of Rs. 10 per share:		
<b>Balance as at 1 April 2023</b>	60,190,708	60,190,708
Issued during the year 2023-24	-	-
<b>Balance as at 31 March 2024</b>	60,190,708	60,190,708
Issued during the year 2024-25	-	-
<b>Balance as at 31 March 2025</b>	<b>60,190,708</b>	<b>60,190,708</b>

As at 31 March 2025 and 31 March 2024, the Group does not have any dilutive potential equity shares.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 30. Income tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) The major components of income tax expense for the year ended 31 March 2025 and 31 March 2024 are:		
<b>Income tax recognised in Consolidated Statement of Profit and Loss</b>		
<b>Current income tax</b>		
Current tax	5,148.76	4,831.59
Current tax relating to earlier years	(50.19)	(13.18)
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(803.45)	(823.89)
<b>Income tax expense reported in the Consolidated Statement of Profit and Loss</b>	<b>4,295.12</b>	<b>3,994.52</b>
<b>Income tax recognised in other comprehensive income</b>		
<b>Deferred tax related to items recognised in OCI during the year:</b>		
On remeasurements of defined benefit plans	43.94	(39.95)
Exchange differences in translating the financial statements of foreign operations	(65.02)	(14.76)
<b>Income tax charged to other comprehensive income</b>	<b>(21.08)</b>	<b>(54.71)</b>
(b) Reconciliation of effective tax rate		
Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2025 and 31 March 2024:		
Profit before tax	18,459.36	15,020.62
Less: Share in profit of joint ventures	969.87	394.56
<b>Profit for the year for computation of income tax</b>	<b>17,489.49</b>	<b>14,626.06</b>
Statutory tax rate	25.168%	25.168%
<b>Income tax expense at the statutory rate</b>	<b>4,401.76</b>	<b>3,681.09</b>
<b>Tax impact of deductible/ non-deductible expenses</b>		
- Effect of CSR expenses	61.25	50.01
- Effect of interest paid to MSME	11.02	12.23
- Effect of difference in tax rate of subsidiaries	(58.64)	-
- Income tax of earlier years	(50.19)	(13.18)
- Others	(70.08)	264.37
<b>Income tax expense reported in statement of profit and loss</b>	<b>4,295.12</b>	<b>3,994.52</b>

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 31. Gratuity and other post-employment benefit plans

### A. Defined benefit plan

The Group has a defined benefit gratuity plan for its employees, governed by the Payment of Gratuity Act, 1972 except for Sandhar Technologies Barcelona. Every employee who has rendered at least five years of continuous service gets a gratuity on departure at the rate of fifteen days of last drawn salary for each completed year of service or part thereof in excess of 6 months. The scheme is funded with insurance companies in the form of qualifying insurance policies. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

### I. Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Liability for gratuity	3,249.63	2,825.66
Plan asset for gratuity	2,485.41	2,468.89
<b>Net plan liability (Current)</b>	<b>764.22</b>	<b>356.77</b>

### II. Reconciliation of present value of defined benefit obligation

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	2,825.66	2,621.94
Current service cost	321.91	281.97
Interest cost	204.30	193.47
Benefits paid	(315.55)	(290.85)
Past service cost including curtailment (gains)/losses	-	-
Actuarial (gain) / loss on obligation recognised in other comprehensive income	213.32	19.13
<b>Balance at the end of the year</b>	<b>3,249.64</b>	<b>2,825.66</b>

### III. Reconciliation of fair value of plan assets

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	2,468.89	2,235.86
Actual return on plan asset	178.51	165.01
Contribution paid into the plan	100.00	150.00
Benefits paid	(299.21)	(240.15)
Actuarial gain / (loss) on plan asset recognised in other comprehensive income	37.22	158.17
<b>Closing fair value of plan asset</b>	<b>2,485.41</b>	<b>2,468.89</b>

### IV. Expense recognised in the Statement of Profit and Loss under employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	321.91	281.97
Interest cost	25.79	28.06
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>347.70</b>	<b>310.03</b>



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## V. Remeasurement recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain / (loss) on defined benefit obligation	(213.32)	(19.13)
Return on plan assets excluding interest income	37.22	158.17
Amount recognised in the Other Comprehensive Income	<b>(176.10)</b>	<b>139.06</b>

## VI. Bifurcation of actuarial gain/(loss) on defined benefit obligation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain/(loss) due to financial assumption change	(71.49)	(118.81)
Actuarial gain/(loss) due to experience adjustment	(97.19)	241.12
Amount recognised in the Other Comprehensive Income	<b>(168.68)</b>	<b>122.31</b>

The principal assumptions used in determining gratuity and compensated absences are as follows:

### (a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the Group.

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.93% p.a.	7.23% p.a.
Future salary increase	5.00% p.a. – 7.00% p.a.	5.00% p.a. – 7.00% p.a.
Expected rate of return on assets	7.00% p.a.	7.00% p.a.

### (b) Demographic assumptions

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Particulars	As at 31 March 2025	As at 31 March 2024
Mortality table	IALM (2012–14)	IALM (2012–14)
Retirement age	58 years	58 years
Attrition rate		
Up to 30 years	10% p.a.	10% p.a.
From 31 to 44 years	3% p.a.	3% p.a.
Above 44 years	1% p.a.	1% p.a.

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(144.46)	154.76	(122.25)	131.51
Expected rate of future salary increase (0.5% movement)	142.86	(134.42)	121.55	(115.06)

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

**Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.**

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement. Gratuity expense expected to be incurred in the next year is Rs. 444.74 lacs (previous year Rs. 294.58 lacs).

**Maturity profile of defined benefit obligations:**

Particulars	As at 31 March 2025	As at 31 March 2024
Less than 1 year	205.87	239.52
1-2 years	234.47	158.23
2-5 years	563.09	502.24
More than 5 years	2,246.21	1,925.68

### Other long-term employee benefits

During the year ended 31 March 2025, the Group has incurred an expense on compensated absences amounting to Rs. 333.40 lacs (previous year Rs. 417.13 lacs). The Group determines the expense for compensated absences basis the actuarial valuation of present value of the obligation, using the Projected Unit Credit Method.

## 32. Contingent liabilities and commitments (to the extent not provided for)

### A. Capital commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	9,654.58	6,632.80

### B. Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
<b>a. Claims against the Group not acknowledged as debts*</b>		
- Service tax matters	56.42	56.42
- Goods and services tax	776.32	66.30
- Income tax matters	346.51	54.84
- Matters related to land	79.85	1,016.14
- Matters related to labour, employees/ ex-employees	54.77	46.67
- Other matters related to accident claim, environmental compensation, and supplier's matters etc.	761.63	810.63
<b>b. Guarantees given by the Group (refer note A below)</b>	1,307.31	1,526.63

\* It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities.

Based on the status of cases and as advised by Group's tax/legal advisors, wherever applicable, the management believes that the Group has strong chance of success and hence no provision against matters disclosed in "Claims against the Group not acknowledged as debts" are considered necessary.

### Note A: Guarantee given by the Group:

To facilitate grant of financing facilities to the Group's joint ventures and subsidiaries, the Company has given corporate guarantees to banks. As at year end, the outstanding corporate guarantee/stand by-letter of credits/ bank guarantees so given amounts to Rs. 544.39 (31 March 2024: Rs. 1,368.79).

The Group has issued guarantees of Rs 762.92 (31 March 2024: Rs 157.84) to its vendors.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 33. Related party disclosures

### (a) List of related parties and nature of relationship where control exists:

- (i) Ultimate controlling party is promoter group (refer Note 10)

### (b) List of related parties and nature of relationship with whom transactions have taken place during the current year/ previous year:

<b>1. Joint Ventures</b>	<ul style="list-style-type: none"> <li>a. Sandhar Han Sung Technologies Private Limited</li> <li>b. Jinyoung Sandhar Mechatronics Private Limited</li> <li>c. Sandhar Amkin Industries Private Limited</li> <li>d. Sandhar Whetron Electronics Private Limited</li> <li>e. Kwangsung Sandhar Technologies Private Limited</li> <li>f. Sandhar Han shin Auto Technologies Private Limited</li> <li>g. Winnercom Sandhar Technologies Private Limited</li> <li>h. Kwangsung Sandhar Automotive Systems Private Limited</li> </ul>
<b>2. Enterprises over which Key managerial personnel/ relatives of key managerial personnel are able to exercise control/ significant influence with whom transactions have undertaken during the current year/ previous year:</b>	<ul style="list-style-type: none"> <li>a. Sandhar Estate Private Limited</li> <li>b. Jubin Finance and Investment Limited</li> <li>c. Haridwar Estates Private Limited</li> <li>d. Swaran Enterprises (Mrs. Santosh Davar is a Partner)</li> <li>e. Shorah Realty LLP</li> <li>f. Rico Auto Industries Private Limited</li> <li>g. Khaitan &amp; Co LLP</li> <li>h. Sandhar Foundation</li> <li>i. Sandhar Info System LLP</li> </ul>
<b>3. Key Managerial Personnel</b>	<ul style="list-style-type: none"> <li>a. Mr. Jayant Davar (Chairman, Managing Director &amp; CEO) (appointed CEO w.e.f. 23 May 2024)</li> <li>b. Mr. Yashpal Jain (Chief Financial Officer &amp; Company Secretary (appointed Company Secretary w.e.f. 9 February 2024)</li> <li>c. Ms. Komal Malik (Company Secretary) (resigned w.e.f. 15 January 2024)</li> <li>d. Mr. Arvind Kapur (Non-Executive Independent Director) (resign w.e.f. 3 July 2024)</li> <li>e. Mr. Bharat Anand (Non-Executive Independent Director)</li> <li>f. Ms. Archana Capoor (Non-Executive Independent Director)</li> <li>g. Mr. Arjun Sharma (Non-Executive Independent Director)</li> <li>h. Mr. Sandeep Dinodia (Non-Executive Independent Director)</li> <li>i. Mr. Vimal Mahendru (Non-Executive Independent Director)</li> <li>j. Mr. Vikarmpati Singhania (Non-Executive Independent Director)</li> <li>k. Mr. D.N Davar (Non-Executive and Non - Independent Director) (resign w.e.f. 23 May 2024)</li> <li>l. Ms. Monica Davar (Non-Executive and Non - Independent Director)</li> <li>m. Mr. Neel Jay Davar (Non-Executive and Non - Independent Director)</li> <li>n. Ms.Aabha Bakaya (Non-Executive and Non-Independent Director) (appointed w.e.f. 8 Aug 2024)</li> <li>o. Mr. Gurvinder Jeet Singh (Sr. Advisor &amp; Chief Operating officer- Automotive Business)</li> <li>p. Mr. Ajay Kumar Raghav (Chief Operating Officer-Casting Machining and Tooling Division) (resign w.e.f. 01 March 25)</li> <li>q. Mr. Venkataraman Srinivasan (Chief Operating officer-Cabin and Fabrication Division)</li> </ul>
<b>4. Relatives of Key Managerial Personnel and relatives of Individual owning an interest in the voting power of reporting enterprise that gives them control/ significant influence over the Group with whom transactions have undertaken during the current year/ previous year:</b>	<ul style="list-style-type: none"> <li>a. Mr. D. N. Davar</li> <li>b. Mrs. Monica Davar</li> <li>c. Mr. Neel Jay Davar</li> <li>d. Mrs. Santosh Davar</li> <li>e. Mrs. Poonam Juneja</li> </ul>

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 5. Transactions with related parties during the current / previous year:

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchase of goods	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	5,341.82	4,630.28
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	863.82	769.12
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	36.24	247.01
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	37.93	-
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	-	0.03
Sale of goods	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	87.01	122.61
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	2.62	0.81
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	2.52	2.87
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	211.60	242.01
Purchase of property, plant and equipment	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	4.73	6.11
Reimbursement of expenses from	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	114.75	71.46
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	14.87	13.61
	Sandhar Amkin Industries Pvt Limited	Joint Venture of Reporting Enterprises	28.54	26.08
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	25.42	19.13
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	24.35	27.37
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	13.12	9.99
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	7.67	7.05
	Haridwar Estate Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	21.06	9.24
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	72.00	-
Lease rentals paid to	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	32.70	32.70
	Jubin Finance & Investment Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	268.36	268.36
	Shorah Realty LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.71	0.71

**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Lease rentals received from	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	28.76	28.76
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	45.61	43.30
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	0.97	0.97
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	1.67	2.77
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	0.49	0.49
	Sandhar Info Systems LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.94	-
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	48.04	43.67
CSR expenditure	Sandhar Foundation	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	243.35	140.50
Director commission and sitting fee	Archana Capoor	Key Managerial Personnel and their relatives	7.60	6.60
	Arjun Sharma	Key Managerial Personnel and their relatives	6.90	5.40
	Arvind Kapur	Key Managerial Personnel and their relatives	1.20	7.30
	D.N.Davar	Key Managerial Personnel and their relatives	0.35	4.00
	Khaitan & Co LLP	Key Managerial Personnel and their relatives	5.50	4.50
	Monica Davar	Key Managerial Personnel and their relatives	6.20	4.50
	Mr. Neel Jay Davar	Key Managerial Personnel and their relatives	5.00	4.50
	Sandeep Dinodia	Key Managerial Personnel and their relatives	7.60	5.90
	Vimal Mahendru	Key Managerial Personnel and their relatives	6.75	5.70
	Vikrampati Singhania	Key Managerial Personnel and their relatives	5.35	3.50
	Aabha Bakaya	Key Managerial Personnel and their relatives	6.35	-
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	86.66	363.28
	Jayant Davar	Key Managerial Personnel and their relatives	884.69	768.60
Managerial remuneration	Yashpal Jain	Key Managerial Personnel and their relatives	179.54	129.62
	Komal Malik	Key Managerial Personnel and their relatives	-	26.28
	Gurvinder Jeet Singh	Key Managerial Personnel and their relatives	95.59	81.90
	Ajay Kumar Raghav	Key Managerial Personnel and their relatives	81.17	66.92
	Venkataraman Srinivasan	Key Managerial Personnel and their relatives	118.35	109.28

**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment in shares of subsidiaries	Jayant Davar	Key Managerial Personnel and their relatives	-	2.05
Commission charge on corporate guarantee	Sandhar Han Sung Technologies Pvt. Ltd.	Joint Venture of Reporting Enterprises	5.20	10.53
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	4.60	10.33
Dividend paid	Jayant Davar	Key Managerial Personnel and their relatives	1,074.35	705.16
	Others	Enterprises under Common control with the Reporting Enterprises	164.58	115.99
	Others	Key Managerial Personnel and their relatives	137.83	127.80
Corporate guarantee/ standby letter of credit given to	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	277.50	741.42
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	266.90	627.37
Investment in JV's	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1,956.44	1,956.44
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	1,336.87
	Sandhar Amkin Industries Private Ltd	Joint Venture of Reporting Enterprises	2,662.00	2,662.00
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	978.45	978.45
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	400.00	400.00
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	275.00	275.00
	Kwangsung Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	1,008.46	1,008.46
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	98.66	98.66



**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
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Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Outstanding Receivable	Haridwar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	136.33	132.13
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	0.16	1.96
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	6.07	7.49
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	17.04	79.13
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	1.01	0.89
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	0.47	0.60
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	4.08	4.32
	Sandhar Info System LLP	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	1.10	-
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	45.82	66.87
Security deposit receivable	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	36.00	36.00
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	98.88	98.88
Outstanding payable	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	605.78	468.94
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	22.66	70.27
Security deposit payable	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	5.97	5.97
Managerial remuneration payable	Jayant Davar	Key Managerial Personnel and their relatives	741.18	636.83
	Yashpal Jain	Key Managerial Personnel and their relatives	-	11.29
	Gurvinder Jeet Singh	Key Managerial Personnel and their relatives	7.97	6.83
	Ajay Kumar Raghav	Key Managerial Personnel and their relatives	-	5.58
	Venkataraman Srinivasan	Key Managerial Personnel and their relatives	9.27	9.11

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 34. Disclosure required under Section 186(4) of the Companies Act, 2013

(i) Particulars of Corporate guarantee/ standby letter of credit given on behalf of:

Name of the entity	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
Sandhar Han Sung Technologies Private Limited	277.50	-	277.50	To secure term loan and working capital loan
Sandhar Amkin Industries Private Limited	266.90	-	266.90	To secure term loan and working capital loan

(ii) Particulars of investments made

Refer note 6 and 7A for investments made by the Group.

## 35. Leases

i. The Group has lease contracts for land & building used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of guest house and other equipment with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

ii. Impact of adoption of Ind AS 116 on the Consolidated Statement of Profit and Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on lease liabilities (refer note 26)	592.71	628.19
Amortisation on right-of-use assets (refer note 24)	2,168.76	2,096.73
<b>Impact on the statement of profit and loss for the year</b>	<b>2,761.47</b>	<b>2,724.92</b>

iii. Amount recognised in the statement of cash flows

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Repayment of lease liabilities including interest expenses	2,633.18	2,439.08
<b>Impact on the statement of cash flows for the year</b>	<b>2,633.18</b>	<b>2,439.08</b>

iv. Refer note 38 for contractual maturities of lease liabilities.

## 36. Financial instruments- Fair values

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

Particulars	Carrying value		Fair value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>Financial assets</b>				
<b>A. Fair value through profit and loss:</b>				
Non trade investment (Unquoted)	194.10	162.49	194.10	162.49
Investment in unquoted mutual funds	95.36	1,013.41	95.36	1,013.41
<b>B. Amortised cost</b>				
Security deposits	2,665.64	1,824.18	2,665.64	1,824.18
Loans to employees	34.45	44.91	34.45	44.91
<b>Total</b>	<b>2,989.55</b>	<b>3,044.99</b>	<b>2,989.55</b>	<b>3,044.99</b>
<b>Financial liabilities</b>				
<b>A. Amortised cost</b>				
Borrowings	82,122.86	62,468.21	82,122.86	62,468.21
Lease liabilities	10,252.48	11,635.13	10,252.48	11,635.13
Other financial liabilities	3,136.13	-	3,136.13	-
<b>Total</b>	<b>95,511.47</b>	<b>74,103.34</b>	<b>95,511.47</b>	<b>74,103.34</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

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.

### The following methods and assumptions were used to estimate the fair values

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, is calculated by arriving at intrinsic value of the investee. The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

### Discount rates used in determining fair value

The interest rates used to discount estimated future cash flows, where applicable, are based on the discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Group internally reviews valuation, including independent price validation for certain instruments.

## 37. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial statements that are;

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard.

All financial instruments for which fair value is recognised or disclosed are categorized with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurements of fair values. This includes a valuation team and has overall responsibility for overseeing all significant fair value measurements and reports directly to the Group's Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## A. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at FVTPL</b>				
Non trade investment (Unquoted)	194.10	-	-	194.10
Investment in unquoted mutual funds	95.36	-	-	95.36
<b>Assets measured at amortised cost for which fair values are disclosed (refer note 36)</b>				
Security deposits	2,665.64	-	-	2,665.64
Loans to employees	34.45	-	-	34.45
<b>Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)</b>				
Borrowings	82,122.86	-	-	82,122.86
Lease liabilities	10,252.48	-	-	10,252.48
Other financial liabilities	3,136.13	-	-	3,136.13

During the year ended 31 March 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

## B. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value through profit and loss:</b>				
Non trade investment (Unquoted)	162.49	-	-	162.49
Investment in unquoted mutual funds	1,013.41	-	-	1,013.41
<b>Assets measured at amortised cost for which fair values are disclosed (refer note 36)</b>				
Security deposits	1,824.18	-	-	1,824.18
Loans to employees	44.91	-	-	44.91
<b>Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)</b>				
Borrowings	62,468.21	-	-	62,468.21
Lease liabilities	11,635.13	-	-	11,635.13

During the year ended 31 March 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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## 38. Financial risk management objectives and policies

The Group is primarily engaged in the manufacturing and assembling of automotive components such as lock-set, mirrors and various sheet metal components including cabins for two wheelers, four wheelers and off road vehicle industry. The Group's principal financial liabilities, comprises loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to support the Group's operations. The Group's principal financial assets include investments in equity, employee advances, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Group has exposure to the following risks arising from financial instruments

- Market risk (see (b));
- Credit risk (see (c)); and
- Liquidity risk (see (d)).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

### a) Risk management framework

The Group's activities make it susceptible to various risks. The Group has taken adequate measures to address such concerns by developing adequate systems and practices. The Group's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Group's financial performance.

The Group's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Group. The board of directors of the Company provides assurance to the shareholders that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee of the holding Company.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and letter of credit.
Liquidity risk	Borrowings and liabilities	Cash flow forecasting, Sensitivity analysis	Availability of borrowing facilities.
Market risk - foreign currency risk	Future commercial transactions, recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting, Sensitivity analysis	Considering the low volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited hence the Group does not use any derivative instruments to manage its exposure.
Market risk - interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	

### b) 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 risk comprises following types of risk: interest rate risk, currency risk, price risk, and commodity risk. Financial instruments affected by market risk include loans and borrowings, investment, deposits and advances.

The sensitivity analyses in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2025.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2025 and 31 March 2024.

### c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to management is as follows :

Particulars	31 March 2025	31 March 2024
<b>Financial liabilities</b>		
<b>Fixed rate instruments</b>		
- Term loans	39,126.54	39,220.06
<b>Variable rate instruments</b>		
- Cash credit from bank	41,483.43	22,545.34
- Credit card from bank	1,512.89	702.81
<b>Financial assets</b>		
<b>Fixed rate instruments</b>		
- Fixed deposits	171.99	375.93
- Loans	34.45	44.91
- Security deposits	2,665.64	1,824.18

### Interest rate sensitivity

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Increase / decrease in basic points	Profit or loss	Profit or loss (net of tax)
<b>31 March 2025</b>			
Secured term loan from banks	100	299.25	223.93
Cash credit from bank	100	414.83	310.43
Other borrowings	100	107.15	80.18
Secured term loan	(100)	(299.25)	(223.93)
Cash credit from bank	(100)	(414.83)	(310.43)
Other borrowings	(100)	(107.15)	(80.18)
<b>31 March 2024</b>			
Secured term loan from banks	100	279.17	208.91
Cash credit from bank	100	225.46	168.72
Other borrowings	100	120.06	89.84
Secured term loan	(100)	(279.17)	(208.91)
Cash credit from bank	(100)	(225.46)	(168.72)
Other borrowings	(100)	(120.06)	(89.84)



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

## Details of unhedged foreign currency exposures

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount in foreign currency	Amount in Rs	Amount in foreign currency	Amount in Rs
Trade payables (USD)	18.57	1,587.78	32.09	2,675.66
Trade payables (JPY)	951.21	541.98	895.14	492.94
Trade payables (EUR)	67.35	6,228.72	3.34	301.12
Trade payables (MXN)	-	-	62.56	314.54
Trade receivables (USD)	15.88	1,356.29	18.95	1,579.01
Trade receivables (MXN)	186.71	781.14	19.60	98.56
Trade receivables (EUR)	8.48	783.86	8.66	779.15
Trade receivables (JPY)	-	-	53.80	29.62

The following significant exchange rates were applied at the year end:

Particulars	Year end rates	
	As at 31 March 2025	As at 31 March 2024
INR/ JPY	0.57	0.55
INR/ USD	85.50	83.38
INR/ EUR	92.48	90.16
INR/ MXN	4.18	5.03

## Sensitivity analysis

Any changes in the exchange rate of foreign currency against INR is not expected to have significant impact on the Group's profit due to the short credit period. Accordingly, a 1% appreciation/depreciation of the INR as indicated below, against the foreign currencies would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant.

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2025	INR/JPY Increases by 1%	Import trade payables	0.57	0.0057	951.21	(5.42)	(4.06)
	INR/JPY Decreases by 1%		0.57	(0.0057)	951.21	5.42	4.06
As at 31 March 2024	INR/JPY Increases by 1%		0.55	0.0055	895.14	(4.93)	(3.69)
	INR/JPY Decreases by 1%		0.55	(0.0055)	895.14	4.93	3.69

**Notes to the Consolidated Financial Statements** for the year ended 31 March 2025  
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/USD Increases by 1%	Import trade payables	85.50	0.8550	18.57	(15.88)	(11.88)
	INR/USD Decreases by 1%		85.50	(0.8550)	18.57	15.88	11.88
<b>As at 31 March 2024</b>	INR/USD Increases by 1%		83.38	0.8338	32.09	(26.76)	(20.02)
	INR/USD Decreases by 1%		83.38	(0.8338)	32.09	26.76	20.02

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure MXN	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/MXN Increases by 1%	Import trade payables	-	-	-	-	-
	INR/MXN Decreases by 1%		-	-	-	-	-
<b>As at 31 March 2024</b>	INR/MXN Increases by 1%		5.03	0.0503	62.56	(3.15)	(2.35)
	INR/MXN Decreases by 1%		5.03	(0.0503)	62.56	3.15	2.35

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/EUR Increases by 1%	Import trade payables	92.48	0.9248	67.35	(62.29)	(46.61)
	INR/EUR Decreases by 1%		92.48	(0.9248)	67.35	62.29	46.61
<b>As at 31 March 2024</b>	INR/EUR Increases by 1%		90.16	0.9016	3.34	(3.01)	(2.25)
	INR/EUR Decreases by 1%		90.16	(0.9016)	3.34	3.01	2.25

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
<b>As at 31 March 2025</b>	INR/USD Increases by 1%	Export trade receivables	85.49	0.8549	15.88	13.58	10.16
	INR/USD Decreases by 1%		85.49	(0.8549)	15.88	(13.58)	(10.16)
<b>As at 31 March 2024</b>	INR/USD Increases by 1%		83.40	0.8340	18.95	15.80	11.83
	INR/USD Decreases by 1%		83.40	(0.8340)	18.95	(15.80)	(11.83)

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure MXN	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2025	INR/MXN Increases by 1%	Export trade receivables	4.18	0.0418	186.71	7.81	5.85
	INR/MXN Decreases by 1%		4.18	(0.0418)	186.71	(7.81)	(5.85)
As at 31 March 2024	INR/MXN Increases by 1%		5.03	0.0503	19.60	0.99	0.74
	INR/MXN Decreases by 1%		5.03	(0.0503)	19.60	(0.99)	(0.74)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2025	INR/EUR Increases by 1%	Export trade receivables	92.81	0.9281	8.48	7.87	5.89
	INR/EUR Decreases by 1%		92.81	(0.9281)	8.48	(7.87)	(5.89)
As at 31 March 2024	INR/EUR Increases by 1%		90.16	0.9016	8.66	7.81	5.84
	INR/EUR Decreases by 1%		90.16	(0.9016)	8.66	(7.81)	(5.84)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2025	INR/JPY Increases by 1%	Export trade receivables	-	-	-	-	-
	INR/JPY Decreases by 1%		-	-	-	-	-
As at 31 March 2024	INR/JPY Increases by 1%		0.55	0.0055	53.80	0.30	0.22
	INR/JPY Decreases by 1%		0.55	(0.0055)	53.80	(0.30)	(0.22)

### Equity price risk

The Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including foreign exchange transactions and other financial instruments.

### Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each date of statements of financial position whether a financial asset or a Group of financial assets is impaired. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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Trade receivables of Rs. 55,730.22 lacs as at 31 March 2025 (31 March 2024: Rs 45,753.23 lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

Group's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of 31 March 2025 and 31 March 2024, however there was no default on account of those customers in the past. The Group has payment terms in range of 30 days to 120 days with its customers.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits to customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The Group performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

#### (a) Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans	34.45	44.91
Other financial assets	1,013.64	886.91
<b>Total</b>	<b>1,048.09</b>	<b>931.82</b>

#### (b) The ageing analysis of trade receivables for which loss allowance is measured using Life time Expected Credit Losses as of the reporting date is as follows

Particulars	As at 31 March 2025	0 – 6 Month	6 – 12 month	More than 12 months
Gross carrying amount	56,046.26	54,933.38	522.94	589.94
Expected credit loss (Loss allowance)	(316.04)	-	-	(316.04)
Carrying amount of trade receivables	55,730.22	54,933.38	522.94	273.90

Particulars	As at 31 March 2024	0 – 6 Month	6 – 12 month	More than 12 months
Gross carrying amount	46,053.04	45,322.96	378.52	351.56
Expected credit loss (Loss allowance)	(299.81)	-	-	(299.81)
Carrying amount of trade receivables	45,753.23	45,322.96	378.52	51.75

#### (c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Receivables, included under trade receivables	55,730.22	45,753.23
Contract liabilities included under advance from customers	2,019.39	1,127.18

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The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products.

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Group's policy. Investments of surplus funds are made only in schemes of alternate investment fund/ or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks, the Group does not expect these banks to fail in meeting their obligations. The maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is represented by the carrying amount of each financial asset.

## d) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2025	0 – 1 year	1 – 5 year	More than 5 year
Trade payables	53,100.14	53,100.14	-	-
Borrowings	82,122.86	54,902.11	27,220.75	-
Lease liabilities	10,252.48	2,221.75	8,445.11	-
Other financial liabilities	7,120.93	4,375.14	2,745.79	-
<b>Total</b>	<b>152,596.41</b>	<b>1,14,599.14</b>	<b>38,411.65</b>	<b>-</b>

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2024	0 – 1 year	1 – 5 year	More than 5 year
Trade payables	49,028.23	49,028.23	-	-
Borrowings	62,468.21	33,913.31	28,554.90	-
Lease liabilities	11,635.13	2,189.24	9,995.86	-
Other financial liabilities	5,775.52	5,050.00	725.52	-
<b>Total</b>	<b>1,28,907.09</b>	<b>90,180.78</b>	<b>39,276.28</b>	<b>-</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### 39. Capital management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the year.

The Group monitors capital using 'Debt Equity' ratio. The ratio is as follows:

Particulars	31 March 2025	31 March 2024
Net Debt (A)*	73,896.34	57,902.44
Equity (B)	1,13,930.12	1,01,659.19
<b>Debt equity ratio (A/B)</b>	<b>0.65</b>	<b>0.57</b>

\* Net debt includes Non-current borrowing, current borrowing, current maturities of non-current borrowing net off current investment and cash and cash equivalent and other bank balance.

### 40. Purchase of business on Slump Sale Basis

Pursuant to the Business Transfer Agreement ("BTA") executed on March 26, 2025, between Sandhar Ascast Private Limited (Formerly Known as Sandhar Tooling Private Limited) and Sundaram Clayton Limited (SCL), the Company has agreed to acquire the High Pressure and Low Pressure Aluminium Die Casting businesses operated by Sundaram Clayton Limited (SCL) at its Hosur plant. The acquisition is structured as a slump sale on a going concern basis for a lump sum consideration of ₹16,300 Lacs.

As of the reporting date, the transfer of the business has not yet been completed, and therefore, in accordance with IND AS 103 – Business Combinations, the transaction has not been accounted for in the financial statements. The transaction, including the terms of the BTA, has been duly approved by the Board of Directors and the shareholders of the Company in their respective meetings.

### 41. Segment reporting

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group is in the business of manufacture and sale of automotive components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 2. The revenues, total expenses and net profit as per the Consolidated Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

#### Geographical information

The Group's revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

#### Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from external customers		
India	3,43,194.97	3,03,317.46
Overseas	45,255.25	48,793.33
<b>Total</b>	<b>3,88,450.22</b>	<b>3,52,110.79</b>

#### Non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024
India	1,19,857.95	1,07,656.43
Overseas	43,729.60	43,188.43
<b>Total</b>	<b>1,63,587.55</b>	<b>1,50,844.86</b>

#### Major customer

Revenue from transactions of the Group with some of its OEM customers exceed 10 per cent or more of the Group's total revenue.



# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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## 42. Interest in joint ventures

The Group has a 50% interest in Sandhar Han Sung Technologies Private Limited., Jinyoung Sandhar Mechatronics Private Limited, Sandhar Whetron Electronics Private Limited, Kwangsung Sandhar Technologies Private Limited, Winnercom Sandhar Technologies Private Limited, Sandhar Han Shin Auto Technologies Private Limited and 69.12% interest in Sandhar Amkin Industries Private Limited, joint venture entities are involved in manufacturing of the group's main automotive products in India.

The Group's interest in Sandhar Han Sung Technologies Private Limited., Sandhar Amkin Industries Private Limited, Jinyoung Sandhar Mechatronics Private Limited, Sandhar Whetron Electronics Private Limited, Kwangsung Sandhar Technologies Private Limited, Winnercom Sandhar Technologies Private Limited and Sandhar Han Shin Auto Technologies Private Limited is accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of investment in consolidated financial statements are set out below:

### Sandhar Han Sung Technologies Private Limited

#### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	2,027.48	1,870.60
Non-current assets	3,180.06	3,580.20
Current liabilities	2,101.19	2,380.71
Non-current liabilities	96.68	359.46
Equity	3,009.67	2,710.63
Proportion of the group's ownership	1,504.83	1,355.32

#### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	6,696.97	5,600.23
Other incomes	179.82	139.55
Cost of raw material and components consumed	4,037.86	3,199.44
Employee benefits expense	953.06	906.27
Finance costs	56.75	130.16
Depreciation and amortization expense	374.92	371.54
Other expenses	1,034.26	921.54
Profit before tax	419.94	210.83
Income tax expense	(115.94)	(59.08)
Profit for the year (continuing operations)	304.00	151.75
Other comprehensive (loss)/income for the year, net of tax	(4.96)	(13.79)
<b>Total comprehensive income for the year (continuing operations)</b>	<b>299.04</b>	<b>137.96</b>
Group's share of profit for the year	149.52	68.98

### Sandhar Amkin Industries Private Limited

#### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	1,693.15	1,789.12
Non-current assets	1,637.71	1,918.39
Current liabilities	1,417.18	1,757.35
Non-current liabilities	125.85	566.85
Equity	1,787.83	1,383.31
Proportion of the group's ownership	1,235.75	691.66

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

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### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	6,819.96	6,384.30
Other incomes	5.82	7.31
Cost of raw material and components consumed	4,230.03	3,811.43
Employee benefits expense	447.99	508.64
Finance costs	76.15	193.86
Depreciation and amortization expense	264.81	299.94
Other expenses	1,216.09	1,134.59
Profit/(loss) before tax	590.71	443.15
Income tax expense	189.56	138.38
Profit for the year (continuing operations)	401.15	304.77
Other comprehensive (loss) for the year, net of tax	3.37	(1.85)
<b>Total comprehensive income for the year (continuing operations)</b>	<b>404.52</b>	<b>302.92</b>
Group's share of profit for the year	279.60	151.46

### Jinyoung Sandhar Mechatronics Private Limited

#### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	-	3,090.80
Non-current assets	-	3,604.37
Current liabilities	-	4,700.24
Non-current liabilities	-	3,389.51
Equity	-	(1,394.59)
Proportion of the group's ownership	-	(697.30)

### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	-	5,420.49
Other incomes	-	91.92
Cost of raw material and components consumed	-	4,138.53
Employee benefits expense	-	594.64
Finance costs	-	30.71
Depreciation and amortization expense	-	271.99
Other expenses	-	975.94
Loss before tax	-	(499.40)
Income tax expense	-	(617.69)
Loss for the year (continuing operations)	-	(1,117.09)
Other comprehensive loss for the year, net of tax	-	(0.23)
<b>Total comprehensive loss for the year (continuing operations)</b>	<b>-</b>	<b>(1,117.32)</b>
Group's share of loss for the year	-	(558.66)

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Sandhar Whetron Electronics Private Limited

### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	1,446.59	1,202.26
Non-current assets	1,171.52	1,335.05
Current liabilities	461.32	555.26
Non-current liabilities	179.11	195.84
Equity	1,977.68	1,786.21
Proportion of the group's ownership	988.84	893.10

### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	2,015.65	2,199.53
Other incomes	23.68	1.46
Cost of raw material and components consumed	1,114.54	1,304.04
Employee benefits expense	315.76	299.53
Finance costs	16.40	18.21
Depreciation and amortization expense	165.52	175.92
Other expenses	198.33	175.00
Profit before tax	228.78	228.29
Income tax expense	37.29	(33.06)
Profit for the year (continuing operations)	191.49	261.35
Other comprehensive loss for the year, net of tax	(0.02)	(0.42)
<b>Total comprehensive income for the year (continuing operations)</b>	<b>191.47</b>	<b>260.93</b>
Group's share of profit for the year	95.73	130.46

## Kwangsung Sandhar Technologies Private Limited

### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	4,397.58	4,835.72
Non-current assets	2,353.88	3,158.84
Current liabilities	5,931.12	7,275.59
Non-current liabilities	21.29	88.86
Equity	799.05	630.11
Proportion of the group's ownership	399.52	315.05

## Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	5,282.48	5,216.41
Other incomes	217.43	169.34
Cost of raw material and components consumed	4,153.65	4,323.10
Employee benefits expense	386.28	434.75
Finance costs	14.07	21.03
Depreciation and amortization expense	390.86	418.36
Other expenses	352.04	372.97
Profit/(loss) before tax	203.01	(184.46)
Income tax expense	31.89	(50.22)
Profit/(loss) for the year (continuing operations)	171.12	(134.24)
Other comprehensive (loss) for the year, net of tax	(2.18)	(0.11)
<b>Total comprehensive income/(loss) for the year (continuing operations)</b>	<b>168.94</b>	<b>(134.35)</b>
Group's share of profit/(loss) for the year	84.47	(67.18)

### Winnercom Sandhar Technologies Private Limited

#### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	1,709.15	1,700.20
Non-current assets	369.85	391.96
Current liabilities	703.32	1,010.95
Non-current liabilities	26.33	26.17
Equity	1,349.35	1,055.04
Proportion of the group's ownership	674.67	527.52

### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	6,081.93	5,646.27
Other incomes	6.13	20.57
Cost of raw material and components consumed	5,142.64	5,053.74
Employee benefits expense	234.93	215.08
Finance costs	-	-
Depreciation and amortization expense	60.54	55.36
Other expenses	230.21	201.40
Profit before tax	419.74	141.26
Income tax expense	125.68	41.31
Profit for the year (continuing operations)	294.06	99.95
Other comprehensive income/(loss) for the year, net of tax	0.25	(0.14)
<b>Total Comprehensive income for the year (continuing operations)</b>	<b>294.31</b>	<b>99.81</b>
Group's share of profit for the year	147.15	49.91

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## Sandhar Han Shin Auto Technologies Private Limited

### Summarised balance sheet as at 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Current assets	1,062.56	1,078.79
Non-current assets	371.37	337.75
Current liabilities	437.88	856.13
Non-current liabilities	26.74	17.89
Equity	969.30	542.52
Proportion of the group's ownership	484.65	271.26

### Summarised Statement of profit and loss

Particulars	31 March 2025	31 March 2024
Revenue from operations	2,976.85	2,140.72
Other incomes	11.37	0.07
Cost of raw material and components consumed	1,930.86	1,599.79
Employee benefits expense	100.33	229.19
Finance costs	5.52	0.09
Depreciation and amortization expense	52.32	39.10
Other expenses	303.60	109.62
Profit before tax	595.58	163.00
Income tax expense	168.76	41.22
Profit for the year (continuing operations)	426.82	121.78
Other comprehensive income for the year, net of tax	(0.04)	0.05
<b>Total comprehensive income for the year (continuing operations)</b>	<b>426.77</b>	<b>121.83</b>
Group's share of profit for the year	213.39	60.91

All the Joint Ventures companies cannot distribute its profits until obtains the consent from the two venture partners.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 43. Disclosure of additional information as required by the Schedule III to the Companies Act, 2013

Name of the entity	2024-25							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs.)	As % of consolidated profit/ (loss)	Amount (in Rs.)	As % of consolidated profit / (loss)	Amount (in Rs.)	As % of consolidated profit/ (loss)	Amount (in Rs.)
<b>Parent</b>								
Sandhar Technologies Limited	100.64%	1,14,655.31	98.58%	13,962.71	(182.96%)	(115.07)	97.33%	13,847.64
<b>Indian Subsidiaries of Sandhar Technologies Ltd.</b>								
Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	4.73%	5,394.35	2.12%	300.93	(24.87%)	(15.64)	2.01%	285.29
Sandhar Engineering Private Limited	5.25%	5,981.62	(1.57%)	(221.97)	(14.03%)	(8.82)	(1.62%)	(230.79)
Sandhar Automotive Systems Private Limited	2.20%	2,509.77	2.11%	298.75	(0.94%)	(0.59)	2.10%	298.16
Sandhar Auto Castings Private Limited	1.85%	2,109.35	4.90%	693.38	4.92%	3.09	4.90%	696.47
Sandhar Auto Electric Solutions Private Limited	1.02%	1,162.55	(4.70%)	(665.97)	7.76%	4.88	(4.65%)	(661.09)
<b>Foreign subsidiaries of Sandhar Technologies Ltd.</b>								
Sandhar Technologies Barcelona, SL	4.08%	4,645.05	(8.13%)	(1,151.08)	310.12%	195.05	(6.72%)	(956.03)
Adjustments arising out of consolidation	(20.62%)	(23,497.75)	(0.17%)	(23.53)	1.82%	1.14	(0.16%)	(22.40)
<b>Total</b>		<b>1,12,960.25</b>		<b>13,193.23</b>		<b>64.04</b>		<b>13,257.27</b>
<b>Joint ventures</b>								
Sandhar Amkin Industries Private Limited	1.08%	1,235.75	1.96%	277.28	3.70%	2.33	1.97%	279.61
Sandhar Han Sung Technologies Private Limited	1.32%	1,504.82	1.07%	151.99	(3.94%)	(2.48)	1.05%	149.52
Sandhar Whetron Electronics Private Limited	0.87%	988.84	0.68%	95.74	(0.02%)	(0.01)	0.67%	95.73
Kwansung Sandhar Technologies Private Limited	0.35%	399.52	0.60%	85.56	(1.73%)	(1.09)	0.59%	84.47
Winnercom Sandhar Technologies Private Limited	0.59%	674.67	1.04%	147.03	0.20%	0.12	1.03%	147.15
Sandhar Han Shin Auto Technologies Private Limited	0.43%	484.65	1.51%	213.41	(0.03%)	(0.02)	1.50%	213.39
Less: Cost of investment in joint ventures	(3.79%)	(4,318.38)	-	-	-	-	-	-
<b>Consolidated Net Assets/ Profit after tax</b>	<b>100.00%</b>	<b>1,13,930.12</b>	<b>100.00%</b>	<b>14,164.24</b>	<b>100.00%</b>	<b>62.89</b>	<b>100.00%</b>	<b>14,227.13</b>

# Notes to the Consolidated Financial Statements for the year ended 31 March 2025

(Rupees in lacs, except share data, per share data and unless otherwise stated)

## 44. Additional Information

- a. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. The Group do not have any transactions with companies struck off.
- c. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. None of the entity in the Group have been declared as a wilful defaulter by any bank of financial institution or other lender.
- i. The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- j. The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- k. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- l. The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have Core Investment Company (CIC).

As per our report of even date attached

For **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration number 101248W/W-100022

**Deepesh Sharma**  
Partner  
Membership No. 505725

Place: Gurugram  
Date : 22 May 2025

For and on behalf of the Board of Directors of  
**Sandhar Technologies Limited**

**Jayant Davar**  
Chairman,  
Managing Director and  
Chief Executive Officer  
DIN:00100801

**Archana Capoor**  
Director  
DIN: 01204170

**Yashpal Jain**  
Chief Financial Officer and  
Company Secretary  
M.No. A13981

**Aabha Bakaya**  
Director  
DIN: 05131734

Place: Gurugram  
Date : 22 May 2025



**SANDHAR**  
Growth. Motivation. Better Life

**Sandhar Technologies Limited**

B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029

CIN: L74999DL1987PLC029553

[www.sandhar.co.in](http://www.sandhar.co.in)