



# Sharda Motor Industries Ltd.

**SMIL: BSE/NSE: 21-22/2306**

**23<sup>rd</sup> June, 2021**

**BSE Limited**

Department of Corporate Services

Pheroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

**(SCRIP CODE - 535602)**

**National Stock Exchange of India Limited**

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

Plot No. C/1, G Block

Bandra - Kurla Complex, Mumbai - 400 051

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

**Sub: Outcome of the Board Meeting held on 23<sup>rd</sup> June, 2021**

Dear Sir/ Madam,

In furtherance to our Letter No. **SMIL: LISTING: 21-22/1606-01**, dated 16<sup>th</sup> June, 2021 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations") and other applicable provision(s), if any, we hereby inform that the Board of Directors at their meeting held today (i.e. Wednesday, 23<sup>rd</sup> June, 2021, commenced at 4:30 P.M. and concluded at 7:10 P.M.), has inter-alia considered/ recommended and/ approved the following:

1. Audited Financial Results (Standalone & Consolidated) for the fourth quarter and year ended 31<sup>st</sup> March, 2021. A copy of the said standalone and consolidated financial results is enclosed alongwith Auditors' Report thereon is enclosed herewith as **"Annexure I"**.

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

2. The Board has recommended a final Dividend of 132% of paid up equity share capital or 10% of Profit after Tax i.e. Rs. 2.63/- per equity share of Face Value of Rs. 2/- each; for the Financial Year 2020-21, subject to the approval of shareholders in the ensuing Annual General Meeting.
3. Re-appointment of Shri Ajay Relan (DIN: 00257584) as Managing Director of the Company with effect from 1<sup>st</sup> September, 2021 for a period of five consecutive years i.e. till 31<sup>st</sup> August, 2026, subject to the approval of Shareholders of the Company.

Further Shri Ajay Relan has shown his willingness from being re-appointed as Managing Director of the Company and has also confirmed that he is not debarred from being re-appointed or holding the office of director by the virtue of any Order passed by the SEBI, Ministry of Corporate Affairs or any such Statutory Authority.

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

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

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

CIN NO-L74899DL1986PLC023202



# Sharda Motor Industries Ltd.

The brief profile of Shri Ajay Relan in pursuant to the SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015, "Circular" has been enclosed herewith as "**Annexure II**".

4. Re-appointment of Shri Udyan Banerjee (DIN: 00339754) as Non-Executive Independent Director of the Company for a Second Term of Five Consecutive Years i.e. from the 1<sup>st</sup> January, 2022 till 31<sup>st</sup> December, 2027, subject to the approval of Shareholders of the Company.

Further Shri Udyan Banerjee has confirmed that he is not related to any of the Director(s), Key Managerial Personnel(s) or Promoter(s) of the Company and is not debarred from being appointed or holding the office of director by the virtue of any Order passed by the SEBI, Ministry of Corporate Affairs or any such Statutory Authority.

The brief profile of Shri Udyan Banerjee in pursuant to the Circular has been enclosed herewith as "**Annexure III**".

5. Constitution of Risk Management Committee of the Company, in view of Regulation 21 in SEBI (LODR) (Second Amendment) Regulations, 2021 vide. SEBI Notification dated 5<sup>th</sup> May, 2021. The Composition and other related detail of the said Committee will be duly updated on the website of the Company at: [www.Shardamotor.com](http://www.Shardamotor.com)
6. Joint Venture between the Sharda Motor Industries Limited ("the Company/ SMIL") and Kinetic Green Energy and Power Solutions Limited.

The detailed Disclosure with respect to the Joint Venture, in pursuant to the Circular has been enclosed herewith as "**Annexure IV**".

This is for your information and record.

**Thanking You,**

**Your's Faithfully**

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

**Encl. as above**

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# *Sharda Motor Industries Ltd.*

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**23<sup>rd</sup> June, 2021**

**BSE Limited**

Department of Corporate Services

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Plot No. C/1, G Block

Bandra - Kurla Complex, Mumbai - 400 051

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

**Subject: Declaration in respect of Audit Report with unmodified opinion for the financial year ended 31<sup>st</sup> March, 2021**

Dear Sir,

In compliance with the Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016; we hereby declare that the Statutory Auditors of the Company, M/s. Gupta Vigg & Co., Chartered Accountants, have issued an Audit Report with unmodified opinion on Audited Standalone & Consolidated Financial Results of the Company for the last quarter & financial year ended 31<sup>st</sup> March, 2021.

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

Thanking you,

Yours faithfully,

**For Sharda Motor Industries Limited**

**Srinivasan Narasimhan**  
**Chief Financial Officer**

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

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CIN NO-L74899DL1986PLC023202



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

**To the Board of Directors of  
Sharda Motor Industries Limited**

**Opinion**

We have audited the accompanying Statement of quarterly and year to date standalone financial results of Sharda Motor Industries Limited ("the Company") for the quarter and year ended 31 March 2021 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

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

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information for the quarter ended 31 March 2021 and net profit, other comprehensive loss and other financial information for the year ended 31 March 2021.

**Basis for Opinion**

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

**Emphasis of Matter**

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

Our opinion is not modified in respect of the above matter.



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

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

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

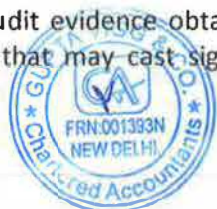
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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





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

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

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

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

#### Other Matters

Attention is invited to Note No. 2 to the Statement. As stated therein, the Statement includes the results for the quarter ended 31 March 2021 being the balancing figure between the annual audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Place: New Delhi  
Date: 23.06.2021

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

CA. Deepak Pokhriyal  
Partner

Membership No. 524778

UDIN: 21124778AAAACT4813



**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2021**

(₹ in Lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		(Audited) (Refer note 2)	(Unaudited)	(Audited) (Refer note 2)	(Audited)	(Audited)
<b>1</b>	<b>Revenue</b>					
	a. Revenue from operations	60,416.92	58,442.09	23,707.22	173,653.60	86,298.81
	b. Other income	558.38	560.29	346.90	2,145.03	2,373.27
	<b>Total income (a+b)</b>	<b>60,975.30</b>	<b>59,002.38</b>	<b>24,054.12</b>	<b>175,798.63</b>	<b>88,672.08</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of raw material consumed	47,790.43	46,990.84	15,967.76	139,305.35	53,710.75
	b. Purchases of stock In trade	1,265.65	1,017.62	980.91	3,386.07	4,548.02
	c. Changes in inventories of finished goods and work-in-progress	315.70	(318.79)	(79.54)	(745.72)	329.17
	d. Employees benefits expense	2,375.96	2,430.71	1,993.57	8,162.05	8,496.97
	e. Depreciation and amortization expense	1,290.31	1,200.12	1,201.35	4,398.46	4,021.28
	f. Finance cost	43.52	36.11	23.73	142.70	92.82
	g. Other expenses	3,424.97	3,190.79	2,370.02	10,621.73	9,625.54
	<b>Total expenses</b>	<b>56,506.54</b>	<b>54,547.40</b>	<b>22,457.80</b>	<b>165,270.64</b>	<b>80,824.55</b>
<b>3</b>	<b>Profit/(loss) from operations before exceptional items &amp; tax (1-2)</b>	<b>4,468.76</b>	<b>4,454.98</b>	<b>1,596.32</b>	<b>10,527.99</b>	<b>7,847.53</b>
<b>4</b>	Exceptional items	-	-	-	-	-
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>	<b>4,468.76</b>	<b>4,454.98</b>	<b>1,596.32</b>	<b>10,527.99</b>	<b>7,847.53</b>
<b>6</b>	<b>Tax expense</b>					
	a. Current tax	1,336.00	1,144.10	546.66	3,050.00	2,456.00
	b. Deferred tax	(156.21)	(42.23)	170.80	(381.04)	(383.83)
	<b>Total tax expenses</b>	<b>1,179.79</b>	<b>1,101.87</b>	<b>717.46</b>	<b>2,668.96</b>	<b>2,072.17</b>
<b>7</b>	<b>Profit/(loss) for the quarter/year (5-6)</b>	<b>3,288.97</b>	<b>3,353.11</b>	<b>878.86</b>	<b>7,859.03</b>	<b>5,775.36</b>
<b>8</b>	<b>Other comprehensive income/(loss)</b>					
	(i) Items that will not be reclassified to profit or loss	58.19	(101.45)	20.12	(49.63)	(12.74)
	(ii) Tax(benefit)/expense on items that will not be reclassified to profit or loss	(14.65)	25.54	(5.06)	12.49	3.21
	<b>Total other comprehensive income/(loss)</b>	<b>43.54</b>	<b>(75.91)</b>	<b>15.06</b>	<b>(37.14)</b>	<b>(9.53)</b>
<b>9</b>	<b>Total comprehensive income/(loss) for the quarter/year (7+8)</b>	<b>3,332.51</b>	<b>3,277.20</b>	<b>893.92</b>	<b>7,821.89</b>	<b>5,765.83</b>
<b>10</b>	Paid-up equity share capital (face value of ₹ 10 each)	594.63	594.63	594.63	594.63	594.63
<b>11</b>	Other equity excluding revaluation reserve	-	-	-	43,949.96	36,128.07
<b>12</b>	<b>Earnings Per Share (of ₹ 10/- each) (Not Annualised)</b>					
	a) Basic	55.31	56.39	14.78	132.17	97.12
	b) Diluted	55.31	56.39	14.78	132.17	97.12

**Notes:**

1. The above standalone financial results were reviewed and recommended by the Audit Committee and further considered & approved by the Board of Directors at their meeting held on June 23, 2021 and also have been audited by statutory auditors of the company.
2. The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year. The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year after giving the effect of financial results of demerged "Automobile Seating Business".
3. These standalone financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
4. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the management.
5. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
6. The Board of Directors at its meeting held on June 23, 2021 has recommended a dividend of Rs. 2.63/- per equity share for the year ended March 31, 2021, subject to the approval of the shareholders in the ensuing Annual General meeting.
7. Figures of the previous quarter/year have been re-grouped and re-arranged, wherever required.
8. Provision for income tax is made at the effective income tax rates.
9. The standalone financial results of the company for the quarter/year ended March 31, 2021 are also available on the Company's website ([www.shardamotor.com](http://www.shardamotor.com)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

**for and on behalf of the Board of Directors**

**Date: June 23, 2021**

AJAY RELAN Digitally signed by AJAY RELAN  
Date: 2021.06.23 17:36:21  
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**Managing Director**



Sharda Motor Industries Limited  
Regd. Office: D-188, Okhla Industrial Area, Phase-I, New Delhi-110020  
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Tel.: +91-11-47334100 Fax: +91-11-26811676  
E-Mail: investorrelations@shardamotor.com, Website: www.shardamotor.com

**Statement of Assets & Liabilities (Standalone and Consolidated) as at March 31, 2021**

(₹ in Lakhs)

	Particulars	Standalone		Consolidated	
		As At 31.03.2021	As At 31.03.2020	As At 31.03.2021	As At 31.03.2020
		(Audited)	(Audited)	(Audited)	(Audited)
<b>I. Assets</b>					
<b>Non-current assets</b>					
(a) Property, plant and equipment		16,796.27	17,544.07	16,796.27	17,544.07
(b) Capital work in progress		10.65	87.16	10.65	87.16
(c) Right-of-use assets		1,046.09	1,009.64	1,046.09	1,009.64
(d) Intangible assets		90.36	67.88	90.36	67.88
(e) Financial assets					
(i) Investment in associate & joint venture		3,799.00	2,549.00	2,339.43	2,283.56
(ii) Other investments		3.85	3.45	3.85	3.45
(iii) Other financial assets		400.60	222.97	400.60	222.97
(f) Non-current tax asset (net)		448.86	278.22	448.86	278.22
(g) Other non-current assets		301.68	1,011.36	301.68	1,011.36
(h) Deferred tax assets (net)		371.72	-	371.72	-
<b>Total non-current assets</b>		<b>23,269.08</b>	<b>22,773.75</b>	<b>21,809.51</b>	<b>22,508.31</b>
<b>Current assets</b>					
(a) Inventories		13,856.79	10,693.42	13,856.79	10,693.42
(b) Financial assets					
(i) Investments		1,713.99	1,676.06	1,713.99	1,676.06
(ii) Trade receivables		32,432.56	11,705.33	32,432.56	11,705.33
(iii) Cash and cash equivalents		7,300.30	7,860.17	7,300.30	7,860.17
(iv) Bank balances other than (iii) above		19,002.57	6,770.51	19,002.57	6,770.51
(v) Other financial assets		595.34	499.64	595.34	499.64
(c) Other current assets		544.15	487.99	544.15	487.99
(d) Asset classified as held for sale		18.00	18.00	18.00	18.00
<b>Total current assets</b>		<b>75,463.70</b>	<b>39,711.12</b>	<b>75,463.70</b>	<b>39,711.12</b>
<b>Total assets</b>		<b>98,732.78</b>	<b>62,484.87</b>	<b>97,273.21</b>	<b>62,219.43</b>
<b>II. Equity And Liabilities</b>					
<b>Equity</b>					
(a) Equity share capital		594.63	594.63	594.63	594.63
(b) Other equity		43,949.96	36,128.07	42,490.39	35,862.63
<b>Total equity</b>		<b>44,544.59</b>	<b>36,722.70</b>	<b>43,085.02</b>	<b>36,457.26</b>
<b>Liabilities</b>					
<b>Non- current liabilities</b>					
(a) Financial liabilities					
(i) Lease liabilities		1,128.17	1,014.73	1,128.17	1,014.73
(ii) Other financial liabilities		27.79	27.79	27.79	27.79
(b) Provisions		520.21	444.33	520.21	444.33
(c) Deferred tax liabilities (net)		-	21.81	-	21.81
<b>Total non- current liabilities</b>		<b>1,676.17</b>	<b>1,508.66</b>	<b>1,676.17</b>	<b>1,508.66</b>
<b>Current liabilities</b>					
(a) Financial liabilities					
(i) Trade payables					
- Total outstanding dues to micro and small enterprises		1,023.12	349.28	1,023.12	349.28
- Total outstanding dues to creditors other than micro and small enterprises		46,105.82	20,302.37	46,105.82	20,302.37
(ii) Lease liabilities		62.04	57.17	62.04	57.17
(iii) Other financial liabilities		967.46	1,189.59	967.46	1,189.59
(b) Other current liabilities		3,608.97	1,710.72	3,608.97	1,710.72
(c) Provisions		744.61	644.38	744.61	644.38
<b>Total current liabilities</b>		<b>52,512.02</b>	<b>24,253.51</b>	<b>52,512.02</b>	<b>24,253.51</b>
<b>Total liabilities</b>		<b>54,188.19</b>	<b>25,762.17</b>	<b>54,188.19</b>	<b>25,762.17</b>
<b>Total equity and liabilities</b>		<b>98,732.78</b>	<b>62,484.87</b>	<b>97,273.21</b>	<b>62,219.43</b>



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

**To the Board of Directors of  
Sharda Motor Industries Limited**

**Opinion**

We have audited the accompanying Statement of quarterly and year to date consolidated financial results of Sharda Motor Industries Limited ("the Parent Company") and its share of the net loss after tax and total comprehensive income of its joint venture and associate for the quarter and year ended 31 March 2021 ("the Statement"), attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

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

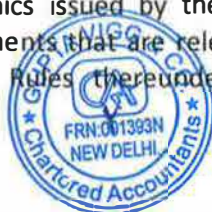
- a. Includes the results of the Parent Company and the following entities:

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

- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit after tax, other comprehensive income and other financial information of the Parent Company, its associate and joint venture for the quarter ended 31 March, 2021 and the consolidated net profit after tax, other comprehensive loss and other financial information of the Parent Company, its associate and joint venture for the year ended 31 March 2021.

**Basis for Opinion**

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

### **Emphasis of Matter**

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

Our opinion is not modified in respect of the above matter.

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

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

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

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

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

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

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



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

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

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

#### Other Matters

- a. The consolidated financial results include the Parent Company's share of net loss after tax of Rs.697.61 lakhs and Rs.1194.13 lakhs for the quarter and year ended 31 March, 2021 respectively and total comprehensive loss of Rs.697.61 lakhs and Rs.1194.13 lakhs for the quarter and year ended 31 March, 2021 respectively, as considered in the Statement, in respect of a joint venture and associate company, whose financial results/financial





statements/financial information have not been audited by us. These financial results/financial statements/financial information are unaudited and have been furnished to us by the Management of the Parent Company and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint venture and associate company, is based solely on such unaudited financial results/financial statements/financial information. In our opinion and as per the information and explanation given to us by the management of the company, these financial results are not material to the consolidated financial results.

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

- b. Attention is invited to Note No. 2 to the Statement. As stated therein, the Statement includes the results for the quarter ended 31 March 2021 being the balancing figure between the annual audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Place: New Delhi  
Date: 23.06.2021

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

  
CA. Deepak Pokhriyal  
Partner



Membership No. 524778

UDIN: 21524778AAAACT8036



**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31 MARCH, 2021**

(₹ in Lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		(Audited) (Refer note 2)	(Unaudited)	(Audited) (Refer note 2)	(Audited)	(Audited)
<b>1</b>	<b>Revenue</b>					
	a. Revenue from operations	60,416.92	58,442.09	23,707.22	173,653.60	86,298.81
	b. Other income	558.38	560.29	346.90	2,145.03	2,373.27
	<b>Total income (a+b)</b>	<b>60,975.30</b>	<b>59,002.38</b>	<b>24,054.12</b>	<b>175,798.63</b>	<b>88,672.08</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of raw material consumed	47,790.43	46,990.84	15,967.76	139,305.35	53,710.75
	b. Purchases of stock In trade	1,265.65	1,017.62	980.91	3,386.07	4,548.02
	c. Changes in inventories of finished goods and work-in-progress	315.70	(318.79)	(79.54)	(745.72)	329.17
	d. Employees benefits expense	2,375.96	2,430.71	1,993.57	8,162.05	8,496.97
	e. Depreciation and amortization expense	1,290.31	1,200.12	1,201.35	4,398.46	4,021.28
	f. Finance cost	43.52	36.11	23.73	142.70	92.82
	g. Other expenses	3,424.97	3,190.79	2,368.91	10,621.73	9,625.54
	<b>Total expenses</b>	<b>56,506.54</b>	<b>54,547.40</b>	<b>22,456.69</b>	<b>165,270.64</b>	<b>80,824.55</b>
<b>3</b>	<b>Profit/(loss) from operations before exceptional items &amp; tax (1-2)</b>	<b>4,468.76</b>	<b>4,454.98</b>	<b>1,597.43</b>	<b>10,527.99</b>	<b>7,847.53</b>
<b>4</b>	Exceptional items	-	-	-	-	-
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>	<b>4,468.76</b>	<b>4,454.98</b>	<b>1,597.43</b>	<b>10,527.99</b>	<b>7,847.53</b>
<b>6</b>	<b>Tax expense</b>					
	a. Current tax	1,336.00	1,144.10	546.66	3,050.00	2,456.00
	b. Deferred tax	(156.21)	(42.23)	170.80	(381.04)	(383.83)
	<b>Total tax expenses</b>	<b>1,179.79</b>	<b>1,101.87</b>	<b>717.46</b>	<b>2,668.96</b>	<b>2,072.17</b>
<b>7</b>	<b>Profit/(loss) for the quarter/year before share of profit/(loss) of associate and joint venture (5-6)</b>	<b>3,288.97</b>	<b>3,353.11</b>	<b>879.97</b>	<b>7,859.03</b>	<b>5,775.36</b>
<b>8</b>	Share of profit/(loss) of associate (net of tax)	(21.80)	(14.69)	11.71	(35.82)	<b>46.55</b>
<b>9</b>	Share of profit/(loss) of joint venture (net of tax)	(675.81)	(239.30)	(271.79)	(1,158.31)	<b>(583.13)</b>
<b>10</b>	<b>Profit/(loss) for the quarter/year (7+8+9)</b>	<b>2,591.36</b>	<b>3,099.12</b>	<b>619.89</b>	<b>6,664.90</b>	<b>5,238.78</b>
<b>11</b>	<b>Other comprehensive income/(loss)</b>					
	(i) Items that will not be reclassified to profit or loss	58.19	(101.45)	20.12	(49.63)	(12.74)
	(ii) Tax(benefit)/expense on items that will not be reclassified to profit or loss	(14.65)	25.54	(5.07)	12.49	3.21
	<b>Total other comprehensive income/(loss)</b>	<b>43.54</b>	<b>(75.91)</b>	<b>15.05</b>	<b>(37.14)</b>	<b>(9.53)</b>
<b>12</b>	<b>Total comprehensive income/(loss) for the quarter/year (10+11)</b>	<b>2,634.90</b>	<b>3,023.21</b>	<b>634.94</b>	<b>6,627.76</b>	<b>5,229.25</b>
<b>13</b>	Paid-up equity share capital (face value of ₹ 10 each )	594.63	594.63	594.63	594.63	594.63
<b>14</b>	Other equity excluding revaluation reserve	-	-	-	42,490.39	35,862.63
<b>15</b>	<b>Earnings Per Share (of ₹ 10/- each) (Not Annualised)</b>					
	a) Basic	43.58	52.12	10.42	112.08	88.10
	b) Diluted	43.58	52.12	10.42	112.08	88.10

**Notes:**

1. The above consolidated financial results were reviewed and recommended by the Audit Committee and further considered & approved by the Board of Directors at their meeting held on June 23, 2021 and also have been audited by statutory auditors of the company.
2. The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year. The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year after giving the effect of financial results of demerged "Automobile Seating Business".
3. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
4. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the Company falls under manufacturing & trading of auto component parts, which is considered to be the only reportable segment by the management.
5. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
6. The Board of Directors at its meeting held on June 23, 2021 has recommended a dividend of Rs. 2.63/- per equity share for the year ended March 31, 2021, subject to the approval of the shareholders in the ensuing Annual General meeting.
7. Figures of the previous quarter/year have been re-grouped and re-arranged, wherever required.
8. Provision for income tax is made at the effective income tax rates.
9. The consolidated financial results of the company for the quarter/year ended March 31, 2021 are also available on the Company's website ([www.shardamotor.com](http://www.shardamotor.com)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

**for and on behalf of the Board of Directors**

**AJAY  
RELAN**

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by AJAY RELAN  
Date: 2021.06.23  
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**Managing Director**

**Date: June 23, 2021**

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31-03-2021	Year ended 31-03-2020	Year ended 31-03-2021	Year ended 31-03-2020
	Audited	Audited	Audited	Audited
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit / (loss) before tax	10,527.99	7,847.53	10,527.99	7,847.53
Adjustments for:				
Balance transferred pursuant to scheme of arrangement	-	(12,871.71)	-	(16,234.59)
Depreciation and amortization	4,398.46	4,021.28	4,398.46	4,021.28
Finance cost	142.70	92.82	142.70	92.82
Interest income	(1,002.18)	(545.12)	(1,002.18)	(545.12)
Loss / (Gain) on disposal of financial asset measured at fair value through profit and loss (FVTPL)	-	(250.54)	-	(250.54)
Loss / (Gain) on disposal of property, plant and equipment (net)	(455.90)	(886.79)	(455.90)	(886.79)
Fair value gain on current financial assets in tax free bond designated at FVTPL	(37.94)	(13.85)	(37.94)	(13.85)
Unrealized loss/(gain) on reinstatement of foreign exchange (net)	(88.71)	11.80	(88.71)	11.80
<b>Operating profit/(loss) before adjustments</b>	<b>13,484.42</b>	<b>(2,594.58)</b>	<b>13,484.42</b>	<b>(5,957.46)</b>
Movement in working capital:				
Decrease/(increase) in inventories	(3,163.37)	(383.38)	(3,163.37)	(383.39)
Decrease/(increase) in trade receivables	(20,727.23)	1,506.13	(20,727.23)	1,506.13
Decrease/(increase) in other financial assets	69.74	(165.67)	69.74	(165.67)
Decrease/(increase) in other assets	(57.73)	12.17	(57.73)	11.90
Increase/(decrease) in trade payables	26,565.99	1,523.53	26,565.99	1,523.08
Increase/(decrease) in other liabilities	1,898.25	(1,149.17)	1,898.25	(1,149.22)
Increase/(decrease) in other financial liabilities	(177.39)	244.86	(177.39)	244.86
Increase/(decrease) in provisions	139.22	86.66	139.22	86.66
<b>Cash generated from operating activities</b>	<b>18,031.90</b>	<b>(919.45)</b>	<b>18,031.90</b>	<b>(4,283.11)</b>
<b>Income Tax (paid)/ refund</b>	<b>(3,220.64)</b>	<b>(2,086.26)</b>	<b>(3,220.64)</b>	<b>(2,086.26)</b>
<b>Net cash from operating activities - (A)</b>	<b>14,811.26</b>	<b>(3,005.71)</b>	<b>14,811.26</b>	<b>(6,369.37)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment including capital work-in-progress	(4,055.33)	(3,248.16)	(4,055.33)	(3,248.16)
Acquisition of intangible assets including intangible assets under development	(72.24)	(31.39)	(72.24)	(31.39)
Proceeds from disposal of property, plant and equipment	1,726.11	1,931.50	1,726.11	1,931.50
Payments for purchase of investments	(1,250.39)	(18,488.42)	(1,250.39)	(15,125.78)
Proceeds from sale of investments	-	22,977.36	-	22,977.40
Bank deposits (made)/realised	(12,232.06)	300.27	(12,232.06)	300.27
Interest received	659.11	482.54	659.11	482.54
<b>Net cash flow/(used) from/in investing activities - (B)</b>	<b>(15,224.80)</b>	<b>3,923.70</b>	<b>(15,224.80)</b>	<b>7,286.38</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance cost paid	(50.48)	(6.59)	(50.48)	(6.59)
Cash payments for the Interest portion of the lease liability	(92.22)	(86.23)	(92.22)	(86.23)
Dividend paid (including corporate dividend tax)	(3.63)	(7.49)	(3.63)	(7.49)
<b>Net cash flow/(used) from/in financing activities - (C)</b>	<b>(146.33)</b>	<b>(100.31)</b>	<b>(146.33)</b>	<b>(100.31)</b>
<b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b>	<b>(559.87)</b>	<b>817.68</b>	<b>(559.87)</b>	<b>816.69</b>
Cash and cash equivalents at the beginning of the year	7,860.17	7,042.49	7,860.17	7,043.48
<b>Cash and cash equivalents at the end of the year</b>	<b>7,300.30</b>	<b>7,860.17</b>	<b>7,300.30</b>	<b>7,860.17</b>

for and on behalf of the Board of Directors

AJAY RELAN Digitally signed by AJAY RELAN  
Date: 2021.06.23 17:39:45 +05'30'

Managing Director

Date: June 23, 2021



# Sharda Motor Industries Ltd.

## Annexure II

S. No.	Particulars	Information
1	Reason for change viz. Re-appointment	Since the present tenure of Shri Ajay Relan (DIN: 00257584) as Managing Director is getting completed on 31 <sup>st</sup> August, 2021 and Re-appointment of Shri Ajay Relan as Managing Director is approved by the Board of Directors of the Company with effect from 1 <sup>st</sup> September, 2021 for a period of five consecutive years i.e. till 31 <sup>st</sup> August, 2026, subject to the approval of Shareholders of the Company.
2	Date of Re-appointment & terms of Re-appointment	Shri Ajay Relan (DIN: 00257584) has been re-appointed as Managing Director on the Board of the Company (Sharda Motor Industries Limited) with effect from 1 <sup>st</sup> September, 2021 for a period of five consecutive years i.e. till 31 <sup>st</sup> August, 2026, subject to the approval of Shareholders of the Company.
3	Brief profile	<p>Shri Ajay Relan aged about 59 years and holds Bachelor's degree in (Hons.) in Management Programme from Harvard Business School, USA, has an overall experience of more than 35 years in the field of Finance, Marketing, and strategic Management and overall Business Management of the Company.</p> <p>Shri Ajay Relan is the Managing Director and major stake holder in Sharda Motor Industries Limited "the Company". He has been managing the entire Business operations of the Company since the incorporation of the Company in year 1986. He is a dynamic entrepreneur having a vast experience in the line of manufacture of automobile components and setting up of new projects and its successful implementation. He is engaged into the supervision of overall manufacturing operations at Plant and Research &amp; Development, Product Development, sales and marketing field and complete supervision of the Company. His leadership qualities embark the Company towards growth in domestic &amp; global footprint. He is also actively engaged in the decision making at the Board level specifically the financial related matters. He has also</p>

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CIN NO-L74899DL1986PLC023202



# Sharda Motor Industries Ltd.

		holds Directorship in Exhaust Technology Private Limited and Relan Industrial Finance Limited. He is also looking after the overall Strategic and Business Management of the Company.
4	Disclosure of relationship between directors	Shri Ajay Relan is Managing Director / Promoter of the Company and is related to one Director i.e. he is the son of Smt. Sharda Relan (Non-Executive Director). Shri Ajay Relan holds 17,371,380 equity shares (58.42%) of face value of Rs. 2 each.

## **Annexure III**

S. No.	Particulars	Information
1	Reason for change viz. Re-appointment	Since the present tenure of Shri Udayan Banerjee (DIN: 00339754) as Non-Executive Independent Director of the Company is getting completed on 31 <sup>st</sup> December, 2021 and Re-appointment of Shri Udayan Banerjee as Non-Executive Independent Director is approved by the Board of Directors of the Company for a Second Term of Five Consecutive Years i.e. from the 1 <sup>st</sup> January, 2022 till 31 <sup>st</sup> December, 2027, subject to the approval of Shareholders of the Company.
2	Date of Re-appointment & terms of Re-appointment	Shri Udayan Banerjee (DIN: 00339754) has been re-appointed as Non-Executive Independent Director on the Board of the Company (Sharda Motor Industries Limited) for a Second Term of Five Consecutive Years i.e. from the 1 <sup>st</sup> January, 2022 till 31 <sup>st</sup> December, 2027, subject to the approval of Shareholders of the Company.
3	Brief profile	Sh. Udayan Banerjee aged about 74 years, holds Masters Degree in Earth Science from IIT Kharagpur in 1969 and also holds diploma in work study from Work Factor Co. of USA in 1978. Sh. Udayan Banerjee started his career in year 1970, as Management Trainee with 'Bata Shoes Limited', wherein he was nominated to attend course on work-study under Johan Hopkins University in United States of America in the Year 1978. In Year 1981, Sh. Udayan Banerjee joined Stepwel Industries Limited, as Production Manager. During his tenure with Stepwel

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CIN NO-L74899DL1986PLC023202





# Sharda Motor Industries Ltd.

		<p>Industries Limited, he contributed to the Development and Marketing of "Piere Cardin" brand in India, besides developing business in West Germany and United Kingdom. Sh. Udayan Banerjee served 'Stepwel Industries Limited' for five years. Subsequently, Sh. Udayan Banerjee worked as Technical and Marketing consultant with UNCTAD/ GATT (presently WTO) for two years and made significant contribution in setting up of three manufacturing units in Bangladesh and two in Indonesia. In year 1988, Sh. Udayan Banerjee started working as an Independent Consultant / agent for marketing of plant, machinery and material to various internationally reputed companies of Japan, France and Italy.</p> <p>Shri Udayan Banerjee was associated with Sharda Motor Industries Limited (SMIL) at various positions for approx. 17 years. During his association with SMIL, he led several teams for successful setting up of Manufacturing Units of Automobile Components. Shri Udayan Banerjee initiatives enabled SMIL to enter into technical collaboration for manufacturing of mono block exhaust system. He also played a key role in setting up and commissioning of R&amp;D facility of SMIL, located in Chennai. During his tenure with SMIL, Sh. Udayan Banerjee acquired vast experience in foreign collaboration (Technical) for Auto Components especially in emission controls and had the distinction of setting up various industrial units of SMIL. Sh. Udayan Banerjee is also involved in child development, teaching poor children and helping them to develop their various inherent qualities and is also involved in rural development in the field of environment protection and child health care.</p>
4	Disclosure of relationship between directors	Shri Udayan Banerjee is not related to any Director(s), Key Managerial Personnel(s) (KMP) or Promoter(s) of the Company and does not hold any shares in the Company.

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## Annexure IV

S. No.	Particulars	Description
1.	Name of Party	Kinetic Green Energy and Power Solutions Limited ("Kinetic Green")
2.	Purpose of Entering into JV Agreement	To carry on the business of manufacturing Battery Packs along with BMS /related systems or other alternative fuel systems for Electric Vehicles or other applications such as stationary applications, or any other alternate fuel technology products such as hydrogen fuel based systems, other components related to electric/hybrid vehicles.
3.	Shareholding and Equity Sharing Ratio of both the Parties	Equity Sharing ratio: Sharda Motors Industries Limited ("SMIL")- 74%, Kinetic Green-26%
4.	Significant Terms and Conditions, including: <ul style="list-style-type: none"><li>➤ No. of Directors (both parties);</li><li>➤ Right for Subscription of Share in further issue of shares;</li><li>➤ Right to Increase/ Decrease or change in Capital Structure;</li><li>➤ Details of Nominee on the board of Directors.</li></ul>	<ul style="list-style-type: none"><li>➤ Total number of directors-5 SMIL: 3 Kinetic Green: 2</li><li>➤ Debt, non-convertible instruments or preference shares shall be issued without voting rights</li><li>➤ Require consent of at least two directors of each party at the Board Meeting or</li><li>➤ Require consent of each party or their representative at the Shareholder's meeting</li><li>➤ Yet to be decided</li></ul>
5.	Related to Promoter / Promoter Group (If yes, nature of	None



# *Sharda Motor Industries Ltd.*

	relationship)	
6.	Transaction(s) falling as Related Party Transactions (If yes, whether the same is done at "arms length)	Both the parties are not related
7.	Details for Issue of shares including Issue Price and Class of shares	Equity Shares of INR 10 each
8.	Any other disclosures related to such agreements	<b>SMIL responsibility-</b> To oversee and participate actively in day-to-day management of the JV and raise finances for growth of the business; <b>Kinetic Greens responsibility-</b> Bring in the technology partner and assist in R&D and product development by sharing the domain knowledge in the area of electric vehicles.

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