

# S.R. DINODIA & Co. LLP

CHARTERED ACCOUNTANTS

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## Independent Auditor's Report

To The Members of Sterling Gtaka E-Mobility Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Sterling Gtaka E-Mobility Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the **Profit** (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Board's Report including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally





accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 management.
- Conclude on the appropriateness of 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 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 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 financial statements, including the disclosures, and whether the 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.

#### **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 sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - I. 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.
  - II. 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.
  - III. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - IV. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - V. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - VI. 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**".
  - VII. 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 does not have any pending litigations which would impact its financial position.
    - 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 its knowledge and belief, as disclosed in the Note 42 to the accounts, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 its knowledge and belief, as disclosed in the Note 42 to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- 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) & (ii) above, contain any material misstatement.
  - e) The Company has not declared or paid any dividend during the year.
  - f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- 3) With respect to the matter to be included in the Auditors' report under Section 197(16):  
According to the information and explanation given to us, the Company has not paid or provided any managerial remuneration to its director during the year.

**For S.R. Dinodia & Co. LLP**

*Chartered Accountants,*

Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**

*Partner*

Membership Number 083689

UDIN: 23083689B6W0BZ3046



Place of Signature: New Delhi

Date: 28 APR 2023



**Annexure 'A' to the Independent Auditors' Report of even date on the financial statements of Sterling Gtate E-Mobility Limited**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

- i)
  - a) (A) Proper records showing full particulars and situation of Property, Plant and Equipment are maintained.  
(B) The Company has maintained proper records showing full particulars of Intangible assets.
  - b) The Property, Plant and Equipment have been physically verified by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) On the basis of information and explanation provided by the Management, no immovable properties are held by the Company and hence 3(i)(c) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
  - d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
  - e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- ii)
  - a) On the basis of information and explanation provided by the Management, the physical verification of inventory has been conducted at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management. In our opinion, the coverage and procedure of such verification is appropriate having regard to the size of the Company and nature of its business. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on physical verification.
  - b) The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from bank on the basis of primary security of current assets. According to the information and explanations given to us, the quarterly returns or statements filed by the Company with bank are materially in agreement with the books of account of the Company. The Company has not been sanctioned any working capital limits by any financial institutions.
- iii) According to the information and explanations given to us, the Company has neither made any investments nor provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clauses 3(iii) (a) to (f) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima





facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii) In respect to statutory dues:
- a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, Income Tax, duty of customs and any other material statutory dues applicable to it with the appropriate authorities. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
  - b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues in respect of statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix)
- a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) The Company has not taken any term loans during the year covered by our audit. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.
  - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the 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) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) & 3(ix)(f) of the Order are not applicable.
- x)
- a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
  - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.
- xi)
- a) As per the information and explanations given to us on our enquiries on this behalf, no fraud of material significance on or by the Company has been noticed or reported during the year.
  - b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed during the year and upto the date of this report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.





- xiv) The Company is not required to have an internal audit system u/s 138 of the Companies Act, 2013. Accordingly the provisions of the clause (xiv) (a) & (b) of the order are not applicable to the Company.
- 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 the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the Order are not applicable.
- xvi)
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, provisions of clause 3 (xvi) (a), (b) and (c) of the Order are not applicable.
- b) According to the information and explanations given to us, there are no core investment company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3 (xvi) (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us, the Company has not incurred cash losses in current financial year. However, the Company had incurred cash loss of ₹ 407.41 lakh in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, provisions of clause 3 (xviii) of the Order are 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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, as per provisions of section 135 of the Companies Act, 2013, the Company is not required to spend on corporate social responsibility. Accordingly, provisions of clause 3 (xx) (a) & (b) of the Order are not applicable.
- xxi) The reporting under clause 3 (xxi) of the order is not applicable in respect of financial statements of the Company. Accordingly, no comment in respect of said clause has been included in the report.

**For S.R. Dinodia & Co. LLP**

*Chartered Accountants,*

Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**

*Partner*

Membership Number 083689

UDIN: 23083689 B6W0B2 3046

Place of Signature: New Delhi

Date: 28 APR 2023





**Annexure 'B' to the Independent Auditor's Report of even date on the financial statements of Sterling Gtate E-Mobility Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Sterling Gtate E-Mobility Limited ("the Company")** as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 (ICAI). 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 Companies Act, 2013.

**Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was 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 system 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 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 system with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control 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 control with reference to financial statements includes 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 control 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.

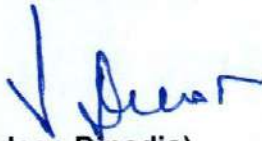
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on "the internal control 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.

### **For S.R. Dinodia & Co. LLP**

*Chartered Accountants,*

Firm's Registration Number 001478N/N500005



**(Sandeep Dinodia)**

*Partner*

Membership Number 083689

UDIN: 23083689 B6W0B23046



Place of Signature: New Delhi

Date: 28 APR 2023



# Sterling Gtack E-Mobility Limited

## Balance Sheet As At March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

Particulars	Notes	As March 31, 2023	At March 31, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	754.61	432.74
(b) Capital work-in-progress	3A	5.49	-
(c) Other Intangible Assets	4	79.51	4.85
(d) Financial Assets			
(i) Other Financial Assets	5	2.89	2.54
(e) Deferred Tax Assets (net)	6	134.65	131.30
(f) Non-Current Tax Assets (Net)	7	-	4.19
(g) Other Non-Current Assets	8	20.62	35.63
<b>Total Non-Current Assets</b>		<b>997.77</b>	<b>611.25</b>
<b>Current Assets</b>			
(a) Inventories	9	3,899.05	1,374.95
(b) Financial Assets			
(i) Trade Receivables	10	1,612.25	578.12
(ii) Cash and Cash Equivalents	11	0.64	2.02
(iii) Bank Balances other than (ii) above	12	820.06	200.00
(iv) Other Financial Assets	5	13.58	5.55
(c) Other Current Assets	8	506.57	424.77
<b>Total Current Assets</b>		<b>6,852.15</b>	<b>2,585.41</b>
<b>Total Assets</b>		<b>7,849.92</b>	<b>3,196.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	2,845.60	845.60
(b) Other Equity	14	92.38	(642.18)
<b>Total Equity</b>		<b>2,937.98</b>	<b>203.42</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Other Financial Liabilities	18	-	-
(b) Provisions	15	557.26	79.40
<b>Total Non-Current Liabilities</b>		<b>557.26</b>	<b>79.40</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	878.09	2,190
(ii) Trade Payables	17		
(A) total outstanding dues of micro enterprises and small enterprises; and			0.96
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		2,972.84	587.20





# Sterling Gtack E-Mobility Limited

## Balance Sheet As At March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

Particulars	Notes	As March 31, 2023	At March 31, 2022
(iii) Other Financial Liabilities	18	112.94	52.03
(b) Other current Liabilities	19	48.33	46.42
(c) Provisions	15	272.46	37.63
(d) Current tax liabilities (Net)	20	70.02	-
<b>Total Current Liabilities</b>		<b>4,354.68</b>	<b>2,913.83</b>
<b>Total Liabilities</b>		<b>4,911.94</b>	<b>2,993.23</b>
<b>Total Equity And Liabilities</b>		<b>7,849.92</b>	<b>3,196.66</b>
Summary of Significant Accounting	2.3		

The accompanying notes are integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,

Chartered Accountants

Firm's Registration Number: 001478N/N500005



(Sandeep Dinodia)

Partner

Membership Number 083689

For and on behalf of the Board of Directors of  
Sterling Gtack E-Mobility Limited



(Anish Agarwal)

Director

DIN No. 07056465



(Jaideep Wadhwa)

Managing Director

DIN No 00410019



(Pankaj Gupta)

Chief Financial Officer



(Pragya Saxena)

Company Secretary

ICSI Membership No.F9640

Place of Signature: New Delhi

Date: 28 APR 2023



# Sterling Gtack E-Mobility Limited

## Statement of Profit & Loss For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

Particulars	Notes	For the Year ended March, 2023	For the Year ended March, 2022
I. Revenue From Operations	21	17,432.36	3,834.07
II. Other Income	22	37.07	7.53
III. Total Income (I + II)		<b>17,469.43</b>	<b>3,841.61</b>
IV. Expenses			
(a) Cost of Materials Purchased	23	13,569.90	4,116.20
(b) Change in Inventory of finished goods	24	(143.29)	(699.37)
(c) Employee Benefits Expense	25	670.69	295.85
(d) Finance Cost	26	141.39	79.21
(e) Depreciation and Amortisation Expense	27	84.27	32.78
(f) Other Expenses	28	2,242.08	455.97
Total Expenses		<b>16,565.04</b>	<b>4,280.64</b>
V. Profit/ (Loss) Before Exceptional Items and Tax (III-IV)		<b>904.39</b>	<b>(439.03)</b>
VI. Exceptional Items		-	-
VII. Profit/ (Loss) Before Tax (V-VI)		<b>904.39</b>	<b>(439.03)</b>
VIII Tax Expense:	29		
Current Tax		159.86	-
Deferred Tax Charge/ (Income)		(3.51)	(73.84)
Total Tax Expense		<b>156.35</b>	<b>(73.84)</b>
IX. Profit/(Loss) For The Year (VII-VIII)		<b>748.04</b>	<b>(365.19)</b>
X. Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Statement of Profit or Loss			
(a) Re-measurement gains/ (losses) on defined benefit plans		0.99	2.23
(ii) Income tax relating to Items that will not be reclassified to Statement of Profit or Loss		(0.17)	(0.38)
(B) (i) Items that will be reclassified to Statement of Profit or Loss		-	-
(ii) Income tax relating to Items that will be reclassified to Statement of Profit or Loss		-	-
Total Other Comprehensive Income, Net of Tax		<b>0.82</b>	<b>1.84</b>
XI Total Comprehensive Income For The Year (X+XI)		<b>748.86</b>	<b>(363.34)</b>
XII Earnings Per Equity Share: (Face Value ₹ 10 Per Share)	33		
1) Basic (amount in ₹)		<b>3.90</b>	<b>(4.32)</b>
2) Diluted (amount in ₹)		<b>3.90</b>	<b>(4.32)</b>
Summary of Significant Accounting Policies	2.3		

The accompanying notes are integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,

Chartered Accountants

Firm's Registration Number: 001478N/N500005

  
(Sandeep Dinodia)  
Partner

Membership Number 083689




For and on behalf of the Board of Directors of  
Sterling Gtack E-Mobility Limited



(Anish Agarwal)

Director

DIN No 07056465




(Jaideep Wadhwa)

Managing Director

DIN No 00410019

  
(Pankaj Gupta)

Chief Financial Officer

  
(Pragya Saxena)

Company Secretary

ICSI Membership No.F9640

Place of Signature: New Delhi

Date: 28 APR 2023

V/L



# Sterling Gtack E-Mobility Limited

## Statement of Cash Flows For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>A. Cash Flow From Operating Activities</b>		
Net Profit Before Tax	904.40	(439.03)
Adjustments for :		
Depreciation & Amortization (Net)	84.27	32.78
Loss on Sale of Fixed Assets	0.64	1.92
Provision for warranty	701.10	112.68
Unrealised foreign exchange gain (net)	86.36	(1.16)
Interest Expense & Finance Costs	141.39	79.21
Interest Income	(22.23)	(6.80)
<b>Operation Profit Before Working Capital Changes</b>	<b>1,895.93</b>	<b>(220.41)</b>
Adjustment For :		
(Increase)/ Decrease in Financial Assets	(1,036.38)	(575.75)
(Increase)/ Decrease in inventories	(2,524.10)	(1,346.78)
(Increase)/ Decrease in Other Assets	(46.65)	(385.02)
Increase / (Decrease) in Financial Liabilities	2,724.12	637.51
Increase / (Decrease) in Other Liabilities	1.91	38.02
Increase / (Decrease) in Provisions	(465.45)	114.60
<b>Net Cash Generated From Operations</b>	<b>549.38</b>	<b>(1,737.83)</b>
Direct Taxes Paid(Net of Refund Received)	(85.47)	(3.76)
<b>Net Cash From Operating Activities</b>	<b>(A) 463.91</b>	<b>(1,741.59)</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of PPE & Intangible Assets (including CWIP, capital advance and capital creditor)	(394.65)	(237.83)
Proceeds from sale of PPE	0.52	-
Interest Received	16.10	6.80
Fixed deposits (other than cash equivalents)	(620.06)	(200.00)
<b>Net cash Used In Investing Activities</b>	<b>(B) (998.09)</b>	<b>(431.03)</b>
<b>C. Cash Flow From Financing Activities</b>		
Issue of Equity Share Capital	2,000.00	-
Unsecured loan paid	(2,000.00)	2,000.00
Cash credit facility	688.49	-
Finance costs	(155.69)	(29.16)
<b>Net Cash Used In Financing Activities</b>	<b>(C) 532.80</b>	<b>1,970.84</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(1.38)</b>	<b>(314.45)</b>
<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>2.02</b>	<b>316.47</b>
<b>Cash And Cash Equivalents At The End Of The Year</b>	<b>0.64</b>	<b>2.02</b>
<b>Cash and cash equivalents include</b>		
Cash in hand	0.64	2.02
Balances With Scheduled Banks :		
- Current Accounts	0.00	0.00
	<b>0.64</b>	<b>2.02</b>

**Note:-**

All figures in brackets represent outflows.

Summary of Significant Accounting Policies

Note 2.3

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,

Chartered Accountants

Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689



For and on behalf of the Board of Directors of  
Sterling Gtack E-Mobility Limited

Anish Agarwal

(Anish Agarwal)  
Director  
DIN No 07056465

(Pankaj Gupta)  
Chief Financial Officer

(Jaideep Wadhwa)  
Managing Director  
DIN No 00410019

(Pragya Saxena)  
Company Secretary  
ICSI Membership  
No.F9640

Place of Signature: New Delhi

Date: 28 APR 2023

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# Sterling Gtake E-Mobility Limited

## Statement of Changes in Equity For The Year Ended March 31,2023

(All amounts ₹ in lakh, except otherwise specified)

### (A) Equity share capital

	No. of Shares	Amount
Balance As At April 1, 2021	8456000	84,560,000.00
Issued during the Year	-	-
Balance As At Mar 31,2022	8456000	84,560,000.00
Issued during the year	20000000	200,000,000.00
Balance As At Mar 31,2023	28456000	284,560,000.00

\*Number of shares are absolute in nature

### (B) Other Equity

	Retained earnings	Total
Balance As At April 1, 2021	(278.83)	(278.83)
Profit/ (Loss) For The Year	(363.34)	(363.34)
Balance As At Mar 31,2022	(642.18)	(642.18)
Profit/ (Loss) For The Year	748.04	748.04
Less : Share issue expenses	(14.30)	(14.30)
Other Comprehensive Income/ (Loss) For The Year *	0.82	0.82
Balance As At March 31, 2023	92.38	92.38

\* Represents Re-measurement of defined benefit plans (net)

### Summary of Significant Accounting Policies Note 2.3

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

### For S.R. Dinodia & Co. LLP,

Chartered Accountants

Firm's Registration Number: 001478N/N500005

  
(Sandeep Dinodia)  
Partner

Membership Number 083689

### For and on behalf of the Board of Directors of Sterling Gtake E-Mobility Limited



(Anish Agarwal)

Director

DIN No 07056465



(Jaideep Wadhwa)

Managing Director

DIN No 00410019

  
(Pankaj Gupta)

Chief Financial Officer

  
(Pragya Saxena)

Company Secretary

ICSI Membership No.F9640

Place of Signature: New Delhi

Date: 28 APR 2023

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# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

### Note 1 : Corporate Information

Sterling Gtack E-Mobility Limited is a Public Limited Company (herein referred to as 'the Company') which is formed on January 10, 2020 and is domiciled in India. The Company is registered with the Registrar of Companies, National Capital Territory, Delhi & Haryana in India and has its registered office at Unit No. 515, DLF Tower A, Jasola District Centre, New Delhi - 110025. The Company is dealing in the sale of motor control unit (MCU) used in automobile industry.

### Note 2.1 : Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements are approved for issue by the Company's Board of Directors on April 28, 2023.

### Note 2.2 : Basis of Preparation

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 and relevant presentation requirements of the Companies Act 2013. The financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian Rupees, which is also company's functional currency and all values are rounded to the nearest lakh (upto two decimals) except otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### Going Concern

The board of directors have considered the financial position of the Company at March 31, 2023 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements with respect to planned cost and cash improvement actions remains on course. Also, the board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations. In view of above, financial statements have been prepared on going concern assumption basis.

#### Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2023:

#### - Amendment to Ind AS 1- Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies information rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

#### - Amendment to Ind AS 8- Accounting Policies, Change in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

#### - Amendment to Ind AS 12- Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on its financial statement.

### Note 2.3 : Significant accounting policies

#### a) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### Revenue

The Company assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Company has concluded that they operating on a principal to principal basis in all its revenue arrangements.

When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction.

#### Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

### Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

### b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

#### Assets:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### Liabilities:

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

### c) Revenue

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding the amount collected on behalf of third parties (for example, taxes and duties collected on behalf of government). The Company has concluded that it is principal in its revenue arrangements.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated e.g. warranties. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. In determining the transaction price for the sale of products, the Company considers the effect of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of products provide the customers with volume rebates that give rise to variable consideration.

Generally, the Company does not receive short term or long term advances from its customers except in certain scenarios. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of promised good or service to the customer and when the customer pays for good or service will be one year or less. The company does not expect to have any contracts where the period between the transfer of promised goods and services to the customer and payment by the customer exceeds one year except where the payment terms might provide the entity or the customer with protection from the other party failing to adequately complete some or all of its obligations under the contract. As a consequence, it does not adjust any of the transaction prices for the time value of money.

### Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable and where no significant uncertainty as to measurability or collectability exists..





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

### d) Property, Plant and Equipment

Property Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment includes non-refundable taxes, duties, freight, insurance, labour cost, allocable borrowing costs and other directly attributable cost to the construction / acquisition of the assets. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Gain or loss arising on account of sale of Property, Plant and Equipment are measured as the difference between the net proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss in the year in which the asset is sold.

The Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined separately. Identification of significant components is matter of judgement and decided on case to case basis on the facts and circumstances of each case. The company capitalise these cost as a separate component of the asset with consequent expensing of net carrying value of replaced part.

Depreciation on Property Plant and Equipment is provided on straight-line method over the useful lives of assets specified in Schedule II to the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit & Loss. Leasehold improvements are amortised over the lease term or the useful life of the assets.

**Subsequent costs:** The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

**Derecognition :** Property, plant and equipment is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in the statement of profit and loss.

### e) Intangible Assets

Intangible Assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Software which are not an integral part of related hardware, is treated as intangible asset and amortized over a period of three years or its licensed period, whichever is less.

### f) Capital Work in Progress

Capital work in progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date. Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

### g) Borrowing Costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds. 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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest cost.

### h) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost Includes purchase price, freight inwards, custom duty and other expenditure incurred in bringing such inventories to their present location and condition but does not includes those expenditure which are subsequently recoverable by the enterprise from concerned revenue authorities. The cost of various components of inventory is determined as follows:-

Raw Materials	First in first out method
Stores, Spares and Packing Material	Weighted average method
Finished goods and work-in-progress	Raw material cost on first in first out method and includes conversion and other costs incurred in bringing the inventories to their present value and locations

### i) Employee's Benefits

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employees Benefits issued by the Company (Indian Accounting Standard) Rules, 2015.

**Short Term Employee Benefits:** All employees' benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus are recognized in the period in which the employee renders the related services at undiscounted amount.

#### Defined Contribution Plan

For Defined Contribution Retirements Benefit Schemes, payments are charged as an expense as they fall due.





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

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### Defined Benefit Plan

The cost of providing defined benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

### Post Employment Benefit Plans

For Defined Benefit Schemes, the cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

### j) Foreign Currency Transactions

**Initial Recognition:** The transactions in foreign currency are initially accounted for at the rate prevailing as on the transaction date.

**Conversion:** Monetary items denominated in foreign currency are reported using the closing exchange rate on each Balance Sheet Date. Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

**Exchange Difference:** The Exchange difference arising on the settlement of monetary items or reporting these items at rates different from rates at which these were initially recorded/ reported in previous financial statements are recognized as income/expense in the period in which they arise.

### k) Taxes on Income : Tax expense comprises current and deferred tax.

#### Current Tax

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

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

#### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future 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 history of recent losses, the Company recognises 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 recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefits will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by 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 assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### l) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

#### Financial Assets

##### Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTP L), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

The category applies to the Company's trade and other receivables, cash and cash equivalents, security deposits and other loans and advances, etc.

A debt instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are

### Equity instruments

All equity investments in the scope of Ind AS 109 are measured at fair value.

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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and 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 recognized in the statement of Profit and Loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The contractual rights to receive cash flows from the asset has expired, or
- The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Financial Liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

#### Financial liabilities at Amortized cost

##### Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 as finance costs in the statement of profit and loss. This category generally applies to the borrowings.

##### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### (m) Fair value measurement

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. The 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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

All assets and liabilities for which fair value is measured or disclosed in the financial statements 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 (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### n) Impairment

#### Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for 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 amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Trade receivables; using the lifetime expected credit loss model.

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. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

#### Impairment of Non Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

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 generate cash inflows that are largely independent of the cash inflows of the other assets or CGUs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

The Company's corporate assets (eg. Central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate assets belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to CGU, and then to reduce the carrying amounts of any other assets of the CGUs (or group of CGUs) on a pro-rata basis.

### o) Provisions, Contingent Liabilities and Contingent Assets

**Provisions** are recognized in the accounts in respect of present probable obligations arising as a result of past events and it is probable that there will be an outflow of resources, the amount of which can be reliably estimated.

**Contingent liabilities** are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

**Contingent Assets** are neither recognized nor disclosed in the financial statements.

### p) Earning per share

In determining earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- For the purpose of calculating Diluted Earning per share, the net profit or loss for the period 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.

### q) Leases

#### Accounting - As a lessee

The company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.





# Sterling Gtack E-Mobility Limited

## Notes To Financial Statements For The Year Ended March 31, 2023

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At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

### r) Operating Segment

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief

Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

### s) Cash Flow Statement

The cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated as specified in Indian Accounting Standard 7 - Cash Flow Statement.

### t) Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



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**Sterling Gtaka E-Mobility Limited**  
**Notes to Financial Statements For The Year Ended Mar 31, 2023**  
 (All amounts ₹ in lakh, except otherwise specified)

**Note 3 : Property, Plant and Equipment**

Particulars	Plant and Equipment	Furniture and Fixtures	Vehicle	Office Equipment	Electrical Installations and Equipment	Computer System	Total
<b>Gross Carrying Amount</b>							
As At Mar 31, 2021	100.10	9.03	9.89	8.29	62.29	10.66	200.26
Additions made during the Year	239.48	10.14	-	1.89	0.57	25.06	277.13
Less: Disposals/adjustments during the Year	-	-	9.89	-	-	-	9.89
As At Mar 31, 2022	339.58	19.17	-	10.18	62.85	35.72	467.51
Additions made during the Year	299.80	15.83	9.85	13.86	-	56.88	396.22
Less: Disposals/adjustments during the Year	3.74	-	-	-	-	-	3.74
As At Mar 31, 2023	635.64	35.01	9.85	24.05	62.85	92.60	859.99
<b>Depreciation and impairment</b>							
As At Mar 31, 2021	1.81	0.21	0.70	0.58	1.06	1.53	5.90
Depreciation charge for the Year	13.76	1.17	0.99	1.77	6.55	6.33	30.57
Less: Disposals/adjustments during the Year	-	-	1.69	-	-	-	1.69
As At Mar 31, 2022	15.57	1.38	-	2.35	7.61	7.86	34.77
Depreciation charge for the Year	41.53	2.54	0.57	3.45	6.00	19.10	73.20
Less: Disposals/adjustments during the Year	2.58	-	-	-	-	-	2.58
As At Mar 31, 2023	54.53	3.92	0.57	5.80	13.61	26.97	105.38
Net Carrying amount as at March 31, 2022	324.01	17.79	-	7.83	55.25	27.86	432.74
Net Carrying amount as at March 31, 2023	581.11	31.08	9.27	18.24	49.25	65.63	754.61

**Note 3A : Capital work-in-progress**

Particulars	Plant and Equipment	Building	Total
<b>Gross Carrying Amount</b>			
As At April 1, 2021	34.67	-	34.67
Additions during the Year	-	-	-
Less: Capitalized during the Year	34.67	-	34.67
Net Carrying amount as at March 31, 2022	-	-	-
Additions made during the Year	-	5.49	5.49
Less: Disposals/adjustments during the Year	-	-	-
Net Carrying amount as at March 31, 2023	-	5.49	5.49

**b) Ageing schedule of CWIP as at March 31,**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Projects in progress	5.49	-	-	-
Projects temporarily suspended	-	-	-	-



c) There are no capital-work-in progress as at March 31, 2023 and as at March 31, 2022 completion of which is overdue or has exceeded its cost as compared to its original plan.



# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 4 : Other Intangible Assets

Particulars	Software	Total
<b>Gross Carrying Amount</b>		
As At April 1, 2021	5.60	5.60
Additions made during the Year	1.65	1.65
Less: Disposals/adjustments during the Year	-	-
<b>As At March 31, 2022</b>	<b>7.24</b>	<b>7.24</b>
Additions made during the Year	85.73	85.73
Less: Disposals/adjustments during the Year	-	-
<b>As At Mar 31, 2023</b>	<b>92.97</b>	<b>92.97</b>
<b>Amortisation and impairment</b>		
As At April 1, 2021	0.18	0.18
Depreciation charge for the Year	2.22	2.22
Less: Disposals/adjustments during the Year	-	-
<b>As At March 31, 2022</b>	<b>2.40</b>	<b>2.40</b>
Depreciation charge for the Year	11.06	11.06
Less: Disposals/adjustments during the Year	-	-
<b>As At Mar 31, 2023</b>	<b>13.46</b>	<b>13.46</b>
Net Carrying Amount as at 31 March 2022	4.85	4.85
<b>Net Carrying Amount as at 31 Mar 2023</b>	<b>79.51</b>	<b>79.51</b>



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# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 5 : Other Financial Asset

(Unsecured and considered good)

	As March 31, 2023	At Current	As March 31, 2022	At Current
	Non-Current		Non-Current	
Security Deposits	2.89	2.30	2.54	0.40
Interest Accrued but not due on FDR	-	11.28	-	5.15
	<b>2.89</b>	<b>13.58</b>	<b>2.54</b>	<b>5.55</b>

### Note 6 : Deferred Tax Assets (Net)

Gross Deferred Tax Assets  
Gross Deferred Tax Liabilities

Total deferred tax assets (Net)

Deferred tax assets relates to the following:

Carried forward Preliminary Expenses  
Provision for Employee Benefits  
Unabsorbed Loss & Depreciation  
Provision for Warranty  
Bonus  
Performance incentives  
Other items

Deferred tax liability relates to the following:

Property, plant and equipment

Total deferred tax assets/(liabilities) (Net)

Deferred tax assets relates to the following:

Carried forward Preliminary Expenses  
Provision for Employee Benefits  
Unabsorbed Loss & Depreciation  
Provision for warranty  
Other items

Deferred tax liability relates to the following:

Property, plant and equipment

Total deferred tax assets/(liabilities) (Net)

### Note 7 : Non-Current Tax Assets (net)

Direct Tax (Net of Provision ₹ Nil)

	As March 31, 2023	At March 31, 2023	As March 31, 2022	At March 31, 2022
		148.80		137.77
		(14.15)		(6.47)
		<b>134.65</b>		<b>131.30</b>
	As At March 31, 2022	Recognised in Statement of Profit and Loss	Recognised in Statement of Other Comprehensiv	As At March 31, 2023
	0.71	0.35	-	0.35
	0.76	(2.17)	0.17	2.75
	116.97	116.97	-	(0.00)
	19.34	(120.31)	-	139.64
	-	(2.86)	-	2.86
	-	(3.19)	-	3.19
	-	-	-	-
	<b>137.77</b>	<b>(11.20)</b>	<b>0.17</b>	<b>148.80</b>
	6.47	(7.68)	-	14.15
	<b>6.47</b>	<b>(7.68)</b>	<b>-</b>	<b>14.15</b>
	<b>131.30</b>	<b>(3.51)</b>	<b>0.17</b>	<b>134.65</b>
	As At April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in Statement of Other Comprehensiv	As At March 31, 2022
	1.06	0.35	-	0.71
	1.57	0.44	0.38	0.75
	57.53	(59.44)	-	116.97
	-	(19.34)	-	19.34
	0.03	0.03	-	0.00
	<b>60.20</b>	<b>(77.96)</b>	<b>0.38</b>	<b>137.78</b>
	2.36	(4.11)	-	6.47
	<b>2.36</b>	<b>(4.11)</b>	<b>-</b>	<b>6.47</b>
	<b>57.84</b>	<b>(73.85)</b>	<b>0.38</b>	<b>131.31</b>
	As March 31, 2023	At March 31, 2023	As March 31, 2022	At March 31, 2022
		-		4.19
		-		<b>4.19</b>





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 8 : Other Assets

	As At March 31, 2023		As At Mar 31, 2022	
	Non-Current	Current	Non-Current	Current
Capital Advances	20.14	-	35.15	-
Advance to Suppliers	-	100.35	-	66.22
Advance to employees	-	2.07	-	0.37
Prepaid Expenses	0.48	14.59	0.48	13.46
Balance with Revenue Authorities	-	389.57	-	168.11
Other Recoverable	-	-	-	176.61
	<b>20.62</b>	<b>506.57</b>	<b>35.63</b>	<b>424.77</b>

### Note 9 : Inventories

(Valued at lower of cost and net realisable value)

	As At March 31, 2023		As At March 31, 2022	
	Raw Material		2,426.05	
Goods in Transit- Raw Material		588.14		272.58
Finished Goods		668.21		109.25
Goods in Transit- Finished Goods		197.84		613.51
Stores, Spares and Consumables		16.21		4.64
Packing Material		2.60		2.30
		<b>3,899.05</b>		<b>1,374.95</b>

### Note 10 : Trade Receivable

	As At March 31, 2023		As At March 31, 2022	
	Trade Receivables Considered Good- Unsecured		1,612.25	
Trade Receivables Considered Good- Secured		-		-
		<b>1,612.25</b>		<b>578.12</b>

The company has no trade receivables having significant increase in credit risk, or which are credit impaired.

a) Trade receivables ageing schedule as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	148.20	1,441.75	21.18	1.12	-	-	1,612.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### b) Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	577.00	1.12	-	-	-	578.12
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

	As Mar 31, 2023	At Mar 31, 2022
<b>Note 11 : Cash and Cash Equivalents</b>		
Balances With Scheduled Banks :		
- Current Accounts *	0.00	0.00
Cash on hand	0.64	2.02
	<b>0.64</b>	<b>2.02</b>

\* Represents ₹ 82 (March 31, 2022: ₹ 82) as amounts lesser than ₹ five hundred appear as zero due to round-off criteria.

### Note 12 : Bank Balance other than Cash and Cash Equivalent

Deposits with original maturity of more than 3 months but not more than 12 months *	820.06	200.00
	<b>820.06</b>	<b>200.00</b>

Includes deposit of ₹ 320.06 lakh (March 31, 2022: ₹ 200 lakh) pledged with bank against LC.



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# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 13 : Share Capital

	As Mar 31, 2023	At Mar 31, 2022
<b>Authorised:</b>		
3,00,00,000 equity shares of ₹10/- each ( March 31 2022: 15000000 equity shares of ₹10/- each )	3,000.00	1,500.00
<b>Issued, Subscribed &amp; Paid Up:</b>		
2,84,56,000 equity shares of ₹10/- each ( March 31 2022: 84,56,000 equity shares of ₹10/- each )	2,845.60	845.60
	<b>2,845.60</b>	<b>845.60</b>

#### a) Reconciliation of Authorised, Issued and Subscribed Share Capital:

##### I. Reconciliation Of Authorised Share Capital :

	March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning Of The Year	15000000	1,500.00	10100000	1,010.00
Increase/(decrease) during the year	15000000	1,500.00	4900000	490.00
<b>Outstanding at the End Of The Year</b>	<b>30000000</b>	<b>3,000.00</b>	<b>15000000</b>	<b>1,500.00</b>

##### II. Reconciliation of Issued and Subscribed Share Capital:

	March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning Of The Year	8456000	845.60	8456000	845.60
Add: Increase/(Decrease) During The Year	20000000	2,000.00	-	-
<b>Outstanding at the End Of The Year</b>	<b>28456000</b>	<b>2,845.60</b>	<b>8456000</b>	<b>845.60</b>

#### b) Terms/rights Attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the 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 shareholders. No dividend is proposed by Board of Directors of the Company.

#### c) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
Sterling Tools Limited *	28456000	100.00%	8456000	100.00%
(including 6 shares held by nominee shareholders)				

#### d) Shares held by holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
Sterling Tools Limited *	28456000	100.00%	8456000	100.00%
28,456,000 (March 31,2022: 8,456,000) Equity Shares of ₹ 10 each (including 6 shares held by nominee shareholders)				

#### e) Shareholding of Promoters

Shares held by promoters as at March 31, 2023				Shares held by promoters as at March 31, 2022		
Promoter name	No. of Shares	%of total shares	% Change during the	No. of Shares	%of total shares	% Change during the year
Sterling Tools Limited *	28456000	100.00%	236.52%	8456000	100.00%	0.12%

(including 6 shares held by nominee shareholders)

\* No. of shares have been given in absolute numbers

### Note 14 : Other Equity

	As Mar 31, 2023	At Mar 31, 2022
Retained Earnings	92.38	(642.18)
<b>Total</b>	<b>92.38</b>	<b>(642.18)</b>

a) For Movement during the period in Other Equity, refer "Statement of Change in Equity".

#### b) Nature and Purpose of Other Equity

##### (i) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to

shareholders. All the profits made by the Company are transferred to retained earnings from statement of profit and loss.





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

Note 15 : Provisions	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
<b>Provisions For Employee Benefits</b>				
Compensated Absences	5.91	0.55	1.81	0.06
Gratuity (Refer Note No. 28)	8.84	0.65	2.48	0.00
<b>Other Provisions</b>				
Provision for warranty	542.51	271.26	75.12	37.56
	<b>557.26</b>	<b>272.46</b>	<b>79.40</b>	<b>37.63</b>

### i) Movement of provision for warranty :

The Company is liable towards warranty claims made by users of its products. A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the warranty period, which extends upto 3 years.

Opening Balance as on April 1, 2022	Actual utilisation/ Replacement during the year	Reversal during the year	Provision created during the year	Closing Balance as on March 31, 2023
112.68	-	14.51	715.61	813.78

Opening Balance as on April 1, 2021	Actual utilisation/ Replacement during the year	Reversal during the year	Provision created during the year	Closing Balance as on March 31, 2022
-	-	-	112.68	112.68

### ii) Contingent Liabilities and commitments:

#### Capital Commitments :

Estimated amount of contracts remaining to be executed on capital account (net of advances) and which have not been provided for in the financial statements, amounts to ₹ 40.92 lakh (March 31, 2022: ₹ 39.92 lakh). The Company does not have any other long term commitments or material non-cancellable Contractual Commitments, which may have a material impact on the financial statements.

**Contingent Liabilities :** No contingent liabilities have been identified by the management as on March 31, 2023.

### Note 16 : Current Liabilities - Borrowings

	As March 31, 2023	At March 31, 2022
<b>Secured borrowings</b>		
Cash Credit Facilities From Bank *	878.09	189.60
<b>Unsecured borrowings</b>		
Loan from Holding Company **	-	2,000.00
	<b>878.09</b>	<b>2,189.60</b>

\* The Cash Credit facility is primarily secured by corporate guarantee from holding company 'Sterling Tools Ltd', and exclusive charge on entire movable & current assets of the company. Cash credit facility carries interest rate 9.32% p.a. linked with TBill rate.

\*\* Loan from holding Company is repayable on demand. Loan carries interest rate 7.6% p.a.

### Note 17 : Trade Payables

	As March 31, 2023	At March 31, 2022
- Total outstanding dues to micro enterprises and small enterprises (Refer Sub-note iii below)	-	0.96
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Sub-note iii below)	2,972.84	587.20
	<b>2,972.84</b>	<b>588.15</b>





# Sterling Gtke E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### i) Trade Payables ageing schedule as at March 31, 2023:

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	Unbilled dues	
(a) MSME	-	-	-	-	-	-
(b) Others	2,949.20	0.52	1.10	-	22.02	2,972.84
(c) Disputed dues — MSME	-	-	-	-	-	-
(d) Disputed dues — Others	-	-	-	-	-	-

### ii) Trade Payables ageing schedule as at March 31, 2022:

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	Unbilled dues	
(a) MSME	0.96	-	-	-	-	0.96
(b) Others	520.18	1.06	-	-	65.96	587.20
(c) Disputed dues — MSME	-	-	-	-	-	-
(d) Disputed dues — Others	-	-	-	-	-	-

(iii) As per Schedule III of the Companies Act, 2013 and as certified by the management, the amount due to Micro, small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

	Principal	Interest	Total
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
(iv) The amount does not include any amount due to be transferred to Investor Protection and Education fund.			
(v) This information has been compiled in respect of parties to the extent they could be identified as Micro & Small Enterprises on the basis of information available with the Management as at March 31, 2022.			

### Note 18 : Other Financial Liabilities

Creditors for Capital Expenditure  
Interest Payable

	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Creditors for Capital Expenditure	-	112.94	-	1.98
Interest Payable	-	-	-	50.05
	-	112.94	-	52.03

### Note 19 : Other Current Liabilities

Advance received from customers  
Statutory Dues

	As	At	As	At
	March 31, 2023		March 31, 2022	
Advance received from customers		7.26		34.20
Statutory Dues		41.07		12.22
		48.33		46.42

### Note 20 : Current tax liabilities (Net)

Provision for income tax [ Net of advance tax ₹ 96.34 lakh (March 31, 2022 Nil) ]

	As	At	As	At
	March 31, 2023		March 31, 2022	
Provision for income tax [ Net of advance tax ₹ 96.34 lakh (March 31, 2022 Nil) ]		70.02		12.22
		70.02		12.22





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
<b>Note 21 : Revenue from Operations</b>		
Sale of Products		
- Finished Goods	17,406.63	3,797.07
Sale of Services		
- Product Support Services	25.73	37.00
	<b>17,432.36</b>	<b>3,834.07</b>

### a) Performance Obligation

Revenue is recognised upon transfer of control of products to the customers.

There are no long term contracts with customers against which, performance obligation is pending. Accordingly disclosure of unsatisfied or remaining performance obligation (which is affected by several factors like changes in scope of contracts, periodic revalidations, adjustment for revenue that has not been materialized, tax laws etc.) is not applicable to the Company.

**b) Disaggregation of Revenue:** The table below presents disaggregated revenues from contracts with customers on the basis of geographical spread of the operations of the Company. The Company believes that this disaggregation best depicts how the nature, amount of revenues and cash flows are affected by market and other economic factors:

Particulars	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
- Domestic	17,406.63	3,755.84
- Export	-	41.22
	<b>17,406.63</b>	<b>3,797.07</b>
- Related party	-	-
- Non-related party	17,406.63	3,797.07
	<b>17,406.63</b>	<b>3,797.07</b>

### c) Revenue recognised in relation to contract liabilities:

Ind AS 115 requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous period. Same has been disclosed as below:

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Amounts included in contract liabilities at the beginning of the year	34.20	0.13
Performance obligations satisfied in previous years	-	-
	<b>34.20</b>	<b>0.13</b>

### d) Assets and liabilities related to contracts with customers

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Contract assets related to sale of goods	-	-
Contract liabilities related to sale of goods		
- Advance from customers	7.26	34.20
	<b>7.26</b>	<b>34.20</b>





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### e) Significant changes in contract assets and liabilities

Changes in balance of contract liabilities during the year:

Opening balance of contract liabilities

Amount of revenue recognised against opening contract liabilities

Addition in balance of contract liabilities for current year

Closing balance of contract liabilities

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
	34.20	0.13
	(34.20)	(0.13)
	7.26	34.20
	<b>7.26</b>	<b>34.20</b>

### f) Reconciliation of Revenue from operations with contracted price

Contracted Price (Net of Sale return)

Less: Discounts and Other Schemes

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
	17,432.36	3,834.07
	-	-
	<b>17,432.36</b>	<b>3,834.07</b>

### (g) Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily of MCU (Motor Control Unit) under arrangements in which the transfer of control of the products and the fulfillment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the buyer and who takes possession of the goods, depending on the delivery terms. In case of the Company's operations, generally the criteria to recognize revenue has been met when its products are delivered to its customers, this is the point in time when the Company has completed its performance obligations. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

### Note 22 : Other Income

Interest on Fixed Deposits

Miscellaneous Income

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
	22.23	6.80
	14.84	0.73
	<b>37.07</b>	<b>7.53</b>

### Note 23 : Cost of Materials Purchased

#### Raw Materials Purchased

Opening Stock

Add : Purchases

Less: Closing Stock

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
	645.26	4.79
	15,350.69	4,756.67
	2,426.05	645.26
	<b>13,569.90</b>	<b>4,116.20</b>

### Note 24 : Changes in Inventories of Finished Goods

Inventory at the beginning of year

- Finished Goods (Including goods in transit)

Inventory at the end of year

- Finished Goods (Including goods in transit)

(Increase)/Decrease in Inventory

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
	722.76	23.38
	866.05	722.76
	<b>(143.29)</b>	<b>(699.37)</b>





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 25 : Employee Benefits Expense

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Salary, Wages & Bonus	616.06	279.06
Contribution to Provident & Other Funds	14.97	6.65
Compensated leaves	6.14	2.77
Gratuity	7.99	2.11
Staff Welfare Expenses	25.53	5.26
	<b>670.69</b>	<b>295.85</b>

### Note 26 : Finance Costs

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Interest on		
- Borrowings	105.15	64.15
- Delayed payment of taxes	6.50	-
Other borrowing cost	29.74	15.06
	<b>141.39</b>	<b>79.21</b>

### Note 27 : Depreciation

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Depreciation expense on Property Plant and Equipment	73.21	30.56
Amortization expense on Intangible Assets	11.06	2.22
	<b>84.27</b>	<b>32.78</b>

### Note 28 : Other Expenses

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Stores and Spares Consumed	51.84	10.65
Packing Material Consumed	14.98	4.22
Jobwork Charges	623.72	0.50
Electricity Expenses	19.39	10.81
Rent	54.60	33.65
Rates & Taxes	0.77	4.43
Insurance	17.16	6.64
Legal & Professional Charges	75.25	78.27
Repair & Maintenance		
-Plant & Machinery	5.03	1.91
-Building	16.83	0.42
-Other	11.24	3.56
Labour Charges	183.11	64.94
Freight Outward	152.51	18.23
Payment to Auditors (Refer Sub-note (a) below)	4.50	3.25
Travelling & conveyance expenses	82.86	38.43
Exchange Fluctuation (Net)	86.36	27.51
Business Promotion	34.08	0.38
Provision for warranty	701.10	112.68
Loss on sale of property, plant & equipment	0.64	1.92
Miscellaneous Expenses	106.11	33.59
	<b>2,242.08</b>	<b>455.97</b>

#### a) Details of Payments to Auditors:

##### As Auditor:

- For Audit	2.50	1.65
- For Tax Audit	1.25	1.00
- For other Services	0.75	0.60
	<b>4.50</b>	<b>3.25</b>





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 29 : Gratuity and Other Post-Employment Benefit Plans

#### I) Defined Contribution Plans

The Company makes contribution towards provident fund/ pension fund. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme.

	For The Year Ended March 31, 2023	For The Year Ended March 31, 2022
Provident Fund	14.46	6.33
ESI Contribution	0.16	0.15
Labour Welfare Fund	0.36	0.17
<b>Total</b>	<b>14.97</b>	<b>6.65</b>

#### II) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. This method is used in following cases:-

##### Gratuity Scheme

The Company has defined benefit gratuity plan. Gratuity is calculated as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity asset/ Liability in the books of accounts on the basis of actuarial valuation as per projected unit credit method; net with annual contribution made by Company to insurer to provide gratuity benefits by taking scheme of insurance.

The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan - gratuity. These have been provided on accrual basis, based on year end actuarial valuation.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>i) Change in Benefit Obligation</b>		
1 Opening Defined Benefit Obligation	2.48	2.60
2 Interest cost	0.18	0.18
3 Current service cost	7.81	1.93
4 Benefits paid	-	-
5 Actuarial (gain) / loss on	(0.99)	(2.23)
<b>Present value of obligation as at the end of the year</b>	<b>9.49</b>	<b>2.48</b>
<b>ii) Net Benefit Expense Recognised in the Statement of</b>		
Current service cost	7.81	1.93
Net Interest cost	0.18	0.18
<b>Net cost</b>	<b>7.99</b>	<b>2.11</b>
<b>iii) Expense Recognised in Other Comprehensive Income :</b>		
Remeasurements - Due to Financial Assumptions	(0.28)	(0.19)
Remeasurements - Due to Experience Adjustments	(0.71)	(2.03)
<b>Total Remeasurement</b>	<b>(0.99)</b>	<b>(2.23)</b>





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### iv) Principal actuarial assumptions at the balance sheet date are as follows:

#### Economic assumptions

1	Discount rate	7.38%	7.21%
2	Rate of Increase in Compensation Levels	6.00%	6.00%
3	Expected Rate of Return on Assets		-

#### Demographic assumptions

1	Retirement Age (years)	58	58
2	Mortality Table	Indian Assured Lives Mortality (2012-14) (modified) ultimate	Indian Assured Lives Mortality (2012-14) (modified) ultimate

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.

### v) A Quantitative Sensitivity Analysis for Significant Assumption as is as Shown Below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>A. Discount rate</b>		
Effect on Defined Benefit Obligation due to 100 basis points increase in Discount Rate	8.01	2.07
Effect on Defined Benefit Obligation due to 100 basis points decrease in Discount Rate	11.32	3.00
<b>B. Salary escalation rate</b>		
Effect on Defined Benefit Obligation due to 100 basis points increase in Salary Escalation Rate	11.38	3.01
Effect on Defined Benefit Obligation due to 100 basis points decrease in Salary Escalation Rate	7.95	2.05
<b>C. Maturity Profile of Defined Benefit Obligation is as Follows:</b>		
1 year	0.65	0.00
2 to 5 years	0.35	0.09
Above 5 years	1.06	2.39

The Sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to morality and withdrawals are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

#### d) Risk

Salary Increases	Actual salary increases will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations will also increase
Discount Rate	Reduction in discount rate in subsequent valuations can increase the
Mortality and disability	Actual details and disability cases proving lower or higher than assumed in the gratuity valuation can impact the liabilities.





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 30 : Income Tax Expense

#### i) Income tax recognised in the statement of profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	159.86	-
Deferred tax	(3.51)	(73.84)
<b>Total Income tax expense/(Income) reported in the statement of profit or loss</b>	<b>156.35</b>	<b>(73.84)</b>

#### ii) Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of defined benefit plans	(0.17)	(0.38)
<b>Net tax recognised in retained earnings</b>	<b>(0.17)</b>	<b>(0.38)</b>

#### iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Accounting profit/ (loss) before income tax</b>	<b>904.39</b>	<b>(439.03)</b>
At India's statutory income tax rate of 17.16 %	155.19	(75.34)
Tax Effect of Expenses not deductible for tax purposes	1.33	0.76
Other adjustments including tax rate change	-	0.74
Others	(0.17)	-
At the income tax rate	156.35	(73.84)
Income tax expense reported in the statement of profit and loss	156.35	(73.84)
Variance	-	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



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# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts in ₹ in lakh, except otherwise specified)

### Note 31: Capital Management

For the purpose of Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As March 31, 2023	At March 31, 2022
Borrowings (Refer Note 16)	878.1	2,189.6
Trade Payables (Refer Note 17)	2,972.84	588.15
Other Financial liabilities (Refer Note 18)	112.94	52.03
Other Payables (Refer Note 19)	48.33	46.42
Less: Cash and Cash Equivalents (Refer Note 11)	0.64	2.02
<b>Net debt (A)</b>	<b>4,011.56</b>	<b>2,874.18</b>
Equity share capital (Refer Note 13)	2,845.60	845.60
Other equity (Refer Note 14)	92.38	(642.18)
<b>Total Capital (B)</b>	<b>2,937.98</b>	<b>203.42</b>
<b>Capital and net debt (C = A + B)</b>	<b>6,949.54</b>	<b>3,077.61</b>
<b>Gearing ratio (D = A/C)</b>	<b>57.72%</b>	<b>93.39%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.



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# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 32 : Fair value measurements

#### (a) Financial instruments by category

All financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, other bank balances, interest receivable, other receivables, trade payables, employee related liabilities and borrowings, are measured at amortised cost except such financial assets and liability which are measured at fair value through profit or loss.

#### (b) Fair value hierarchy

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 (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy:

As At 31.03.2023

Particulars	Carrying Amount					Fair Value			
	FVOCI	Mandatorily at FVTPL	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets measured at fair value	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Trade Receivables	-	-	1,612.25	-	1,612.25	-	-	-	-
Cash and Cash Equivalents	-	-	0.64	-	0.64	-	-	-	-
Other Bank Balances	-	-	820.06	-	820.06	-	-	-	-
Security Deposits	-	-	5.19	-	5.19	-	-	-	-
Interest Accrued on Fixed Deposit	-	-	11.28	-	11.28	-	-	-	-
	-	-	2,449.41	-	2,449.41	-	-	-	-
Financial Liability measured at fair value	-	-	-	-	-	-	-	-	-
Financial liability not measured at fair value									
Borrowings	-	-	-	878.09	878.09	-	-	-	-
Creditors for Capital Expenditure	-	-	-	112.94	112.94	-	-	-	-
Interest Payable	-	-	-	-	-	-	-	-	-
Trade payables	-	-	-	2,972.84	2,972.84	-	-	-	-
	-	-	-	3,963.87	3,963.87	-	-	-	-

As At 31.03.2022

Particulars	Carrying Amount					Fair Value			
	FVOCI	Mandatorily at FVTPL	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets measured at fair value	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Security Deposits	-	-	2.94	-	2.94	-	-	-	-
Trade Receivables	-	-	578.12	-	578.12	-	-	-	-
Cash and Cash Equivalents	-	-	202.02	-	202.02	-	-	-	-
Interest Accrued on Fixed Deposit	-	-	5.15	-	5.15	-	-	-	-
	-	-	788.23	-	788.23	-	-	-	-
Financial Liability measured at fair value	-	-	-	-	-	-	-	-	-
Financial Liability not measured at fair value									
Creditors for Capital Expenditure	-	-	-	1.98	1.98	-	-	-	-
Borrowings	-	-	-	2,189.60	2,189.60	-	-	-	-
Interest Payable	-	-	-	50.05	50.05	-	-	-	-
Trade payables	-	-	-	588.15	588.15	-	-	-	-
	-	-	-	2,829.78	2,829.78	-	-	-	-



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



# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 33: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes security deposits, trade receivables, cash and cash equivalents, deposits with bank, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior level management of these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

#### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk borrowings, short term deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022

##### i) 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.

##### ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The 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)

Unhedged Foreign Currency Exposure	Currency in lakh
<b>31 March 2023</b>	<b>CNY</b>
Trade payables and other financial liabilities	206.32
<b>Net exposure of recognised financial liabilities</b>	<b>206.32</b>
<b>31 March 2022</b>	<b>USD</b>
Trade payables and other financial liabilities	5.83
<b>Net exposure of recognised financial liabilities</b>	<b>5.83</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currencies against INR at the end of the year, would have affected the measurement of financial asset and financial liability denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit / (Loss) INR in lakh	
	Strengthening	Weakening
<b>31 March 2023</b>		
USD (5% movement)	(123.28)	123.28
<b>31 March 2022</b>		
USD (5% movement)	(22.12)	22.12

#### B. 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) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

##### i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Unbilled	Less than 6 Months	6 months - 1 year	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
Trade Receivables as of March 31, 2023	148.20	1,441.75	21.18	1.12	-	-	1,612.25
Trade Receivables as of March 31, 2022	-	577.00	1.12	-	-	-	578.12





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### ii) Financial instruments and cash

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only 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, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	Total
Borrowings	878.09	-	-	-	-	878.09
Trade payables	2,949.20	0.52	1.10	-	22.02	2,972.84
Creditors for Capital Expenditure	112.94	-	-	-	-	112.94
Interest Payable	-	-	-	-	-	-
<b>Total</b>	<b>3,940.23</b>	<b>0.52</b>	<b>1.10</b>	<b>-</b>	<b>22.02</b>	<b>3,963.87</b>

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	Total
Borrowings	2,189.60	-	-	-	-	2,189.60
Trade payables	521.13	1.06	-	-	65.96	588.15
Creditors for Capital Expenditure	1.98	-	-	-	-	1.98
Interest Payable	50.05	-	-	-	-	50.05
<b>Total</b>	<b>2,762.77</b>	<b>1.06</b>	<b>-</b>	<b>-</b>	<b>65.96</b>	<b>2,829.78</b>



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# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 34 : Earning Per Share (EPS)

For the year ended  
March 31, 2023

For the year ended  
March 31, 2022

#### Basic/ Diluted Earning Per Share

Profit/ (Loss) attributable to Equity Shareholders	(A)	748.04	(365.19)
Weighted average equity Shares O/S at the end of the year (in lakh)	(B)	191.74	84.56
Earning per share - Basic/Diluted	(A/B)	3.90	(4.32)

### Note 35 : Leases

#### Operating lease commitments - Company as lessee

The company has taken factory premises and other on operating leases, the lease is short-term of less than twelve months. For short-term leases, the Company recognizes lease expense in statement of profit & loss, and rent expense for short-term leases are not included in the measurement of lease liability. Lease rent for current year amounts ₹ 54.60 lakh ( March 31, 2022: ₹ 33.65 lakh).

### Note 36 : Related Party Disclosures

#### a) Name of the Related Parties and Description of Relationship:

Holding Company	Sterling Tools Limited
KMP	Mr. Atul Aggarwal - Director Mr. Jaideep Wadhwa- Managing Director Mr. Anish Agarwal - Director
Enterprises owned or significantly influenced by KMP or their relatives	Sterling Technologies Private Limited Sterling Automobiles Private Limited

#### b) Transactions during the year with related party

Name of Related Party	Nature of Transaction	Relationship	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sterling Tools Limited	Share Capital issued *	Holding Company	2,000.00	-
	Unsecured Loan Received		-	2,000.00
	Unsecured loan Repaid		2,000.00	-
	Interest on Loan		70.25	55.62
	Purchase of Plant and Machinery		5.10	-
Mr Jaideep Wadhwa	Expenses reimbursed	KMP	21.04	-
	Remuneration		15.67	-
Sterling Technologies Private Limited	Rent paid	Enterprises owned or significantly influenced by KMP or their relatives	46.20	32.70
Sterling Automobile Private Limited	Vehicle Repair	Enterprises owned or significantly influenced by KMP or their relatives	-	0.02
	Expense Reimbursement		-	0.17

#### c) Corporate Guarantee

The holding company Sterling Tools Limited has provided corporate guarantee to bank on behalf of the company for Cash Credit limit sanctioned to the Co

#### d) Year end balances of related parties

Name of Related Party	As March 31, 2023	At March 31, 2022
Sterling Tools Limited	6.48	2,050.1

#### Sub Note:

All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. No expenses has been recognized in the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances with related parties.

### Note 37 : Segment Information

Company is in manufacturing of MCU (Motor Control Unit) and related components used in automobile sector. However, in line with the provision of Ind AS 108- Operating Segments and on the basis of review of prospective operations to done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the company's performance, allocates resources based on the analysis of the various performance indicator of the Company as a single unit), the operations of the Company falls under dealing in selling of MCU (Motor Control Unit), which is considered to be the only reportable segment.

Only one customer represents 10% or more of the Company's total revenue for the year ended 31st March, 2023. However, there are no single customer which represents 10% or more of the total Revenue for the year ended 31st March, 2022.





# Sterling Gtack E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

### Note 38 : Unhedged Foreign Currency Exposure

a) Foreign currency exposure not hedged by derivative instruments or otherwise:-

Particulars	March 31, 2023		March 31, 2022	
	Foreign Currency amt in lakh	Amount in lakh	Foreign Currency amt in lakh	Amount in lakh
Foreign currency exposure not hedged (Buy)				
CNY	206.32	2,465.56	-	-
USD	-	-	5.83	442.30

### Note 39 : Ratios

Particulars	Base	31st March 2023	31st March 2022	% change	Explanation for change by more than 25%
(a) Current Ratio	Current Assets/Current Liability	1.57	0.89	77%	Improvement in net working capital.
(b) Debt-Equity Ratio (Net Debt/Total Equity)	Net Debt/ Shareholders' Equity	0.30	10.76	-97%	Due to Repayment of Unsecured loan.
(c) Debt Service Coverage Ratio	Earnings available for debt service / Debt Service	1.29	(0.15)	982%	Due to Repayment of Unsecured loan and increase in profit.
(d) Return on Equity Ratio	Net Profit after tax/ Average Net Worth	0.48	(0.95)	150%	Due to Increase in profit and increase in equity.
(e) Inventory turnover ratio	Sales of Products/ Average Inventory	5.09	5.47	-7%	N/A
(f) Trade Receivables turnover ratio	Net Credit Sale/ Average Accounts receivable	15.92	13.09	22%	N/A
(g) Trade payables turnover ratio	Net Credit Purchase / Average Trade Payables	10.33	14.65	-29%	Due to increase in trade payable.
(h) Net capital turnover ratio	Net Sales/ Working Capital	6.98	-11.67	160%	Increase in business operation and net working capital.
(i) Net profit ratio	Profit after tax/Total revenue from operations	0.04	(0.10)	145%	Increase in business operation and profit.
(j) Return on Capital employed	Earnings before interest & tax/Capital employed	0.36	(1.77)	120%	Due to increase in business operation.

### Note 40 : CSR Expenditure

As per Section 135 of Companies Act 2013, read with The Companies (Corporate Social Responsibility Policy) Rules 2014, during current year, company is not liable to incur CSR expenses.

**Note 41:** 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 the existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the international and specified domestic transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required by law. 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 financial statements, particularly on the amount of tax expense and that of provision for taxation.

**Note 42 :** 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 or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entity identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 43:** The company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 neither in the current financial year nor in the previous financial year.





# Sterling Gtake E-Mobility Limited

## Notes to Financial Statements For The Year Ended March 31, 2023

(All amounts ₹ in lakh, except otherwise specified)

**Note 44** "No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Relating to borrowed funds:

i) Wilful defaulter

ii) Borrowings obtained on the basis of security of current assets (To be given in case no borrowings taken against security)

iii) Discrepancy in utilisation of borrowings

**Note 45** : In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at March 31, 2023.

**Note 46** : Figures have been rounded off to the nearest ` lakh except otherwise stated.

**For and on behalf of the Board of Directors of  
Sterling Gtake E-Mobility Limited**



**(Anish Agarwal)**

Director


DIN No 7056485




**(Jaideep Wadhwa)**

Managing Director

DIN No 00410019

  
**(Pankaj Gupta)**

Chief Financial Officer

  
**(Pragya Saxena)**

Company Secretary

ICSI Membership No. F9640

vk

Place of Signature: New Delhi

Dated:

28 APR 2023

