

Independent Auditor's Report

To The Members of Sterling Fabory India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sterling Fabory India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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, 2022, the **Loss** (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.

Emphasis of Matter

We draw attention to note 2.2 of the financial statements, regarding discontinued business operation of the Company and preparation of the financial statements on liquidation basis of the accounting for reasons as stated in the said note. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for 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.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) 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.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) As per the Company, in view of the MCA notification dated 13 June 2017, the Company is exempt from the requirements of clause (i) of section 143 (3) of the act and therefore the report on adequacy of internal financial controls with reference to financial statements of the company and operative effectiveness of such controls of the Company is not being made.
 - g) 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that to the best of its knowledge & belief, no funds (which are material either individually or in the aggregate) have been advanced, 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, whether, 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;.
 - b. The Management has represented that, to the best of its knowledge & belief, 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, whether, 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



c. 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 (a) & (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For S.R. Dinodia & Co. LLP

Chartered Accountants,

Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 22083689A14cfs2645



Place of Signature: New Delhi

Date: 10 MAY 2022

Annexure 'A' to the Independent Auditors' Report of even date on the financial statements of Sterling Fabry India Private 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, 2022, we report that:

- i)
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us no immovable properties are owned by the Company. In respect of leasehold immovable properties as disclosed in the financial statements where the Company is the lessee in the agreement, we report that the lease agreements are in the name of 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 (including Right of Use assets) or intangible assets or both 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 Management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. 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) According to the information and explanations given to us and the records examined by us, during the year, the Company has not been sanctioned any working capital limits. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable.
- 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) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 (as amended from time to time) to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) Order are not applicable.



vii) In respect to statutory dues:

- a) The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess 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 except the following:

Name of the statute	Nature of dues	Amount (in ₹ Lacs)	Period to which the amount pertains	Forum where dispute is Pending
Haryana Value Added Tax, 2003	Value Added Tax	1.06	FY 2014-15	Excise & Taxation officer cum Assessing Authority Faridabad (East)
Haryana Value Added Tax, 2003	Value Added Tax	2.54	FY 2016-17	Excise & Taxation officer cum Assessing Authority Faridabad (East)
Haryana Value Added Tax, 2003	Value Added Tax	0.26	FY 2017-18	Excise & Taxation officer cum Assessing Authority Faridabad (East)

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 does not have any outstanding Loan, borrowing or interest thereon at any point of time during the year. Accordingly, the provisions of clause 3(ix) (a) to (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 incurred cash losses of ₹ 76.09 Lakh in current financial year. Cash loss in the immediately preceding financial year is ₹ 66.40 Lakh.
- 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 does not require 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: 22083689 AIUCFS 2645



Place of Signature: New Delhi

Date: 10 MAY 2022

Sterling Fabry India Private Limited

Balance Sheet As At March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Particulars	Notes	As At March 31, 2022	As At March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	0.21	28.93
(b) Right-of-Use Assets	4	-	13.50
(c) Other Intangible Assets	5	-	0.12
(d) Financial Assets			
(i) Other Financial Assets	6	-	-
(e) Deferred tax Assets (net)	7	-	26.19
(f) Non-Current Tax Assets	8	1.97	3.21
(g) Other Non-Current Assets	9	-	0.01
Total Non-Current Assets		2.18	71.96
Current Assets			
(a) Inventories	10	-	54.04
(b) Financial Assets			
(i) Trade Receivables	11	-	75.17
(ii) Cash and Cash Equivalents	12	12.66	117.79
(iii) Bank Balances other than (ii) above	13	212.70	100.00
(iv) Other Financial Assets	6	3.61	7.18
(c) Other Current Assets	9	-	6.86
Total Current Assets		228.97	361.04
Total Assets		231.15	433.00
Equity And Liabilities			
Equity			
(a) Equity Share Capital	14	681.00	681.00
(b) Other Equity	15	(454.23)	(330.90)
Total Equity		226.77	350.10
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Other Financial Liabilities		-	-
(b) Provisions	16	-	8.98
Total Non-Current Liabilities		-	8.98
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	33	-	6.77
(ii) Trade Payables	17		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	5.67
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1.93	54.38
(b) Other current Liabilities	18	0.40	6.87
(c) Provisions	16	2.04	0.23
Total Current Liabilities		4.37	73.92
Total Liabilities		4.37	82.90
Total Equity And Liabilities		231.15	433.00
Summary of Significant Accounting Policies	2.3		

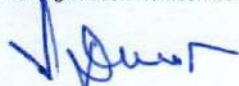
The accompanying notes are integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,

Chartered Accountants

Firm's Registration Number: 0014/BN/N500005



(Sandeep Dinodia)

Partner

Membership Number 083689



For and on behalf of the Board of Directors of
Sterling Fabry India Private Limited


(Anil Aggarwal)
Director
DIN 00027214


(Atul Aggarwal)
Director
DIN 00125825

Place of Signature: New Delhi

Date: 10 MAY 2022

Sterling Fabry India Private Limited
Statement Of Profit & Loss For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue From Operations	19	158.93	785.97
II. Other Income	20	15.51	51.61
III. Total Income (I + II)		174.44	837.58
IV. Expenses			
(a) Purchase of Stock-in-Trade	21	106.79	475.53
(b) Changes in Inventories of Stock-in-Trade	22	53.61	178.88
(c) Employee Benefits Expense	23	36.06	161.23
(d) Finance Costs	24	2.75	6.74
(e) Depreciation and Amortisation Expense	25	21.05	21.15
(f) Other Expenses	26	51.30	81.78
Total Expenses		271.57	925.31
V. Profit/ (Loss) Before Exceptional Items and Tax (III-IV)		(97.14)	(87.73)
VI. Exceptional Items		-	-
VII. Profit/ (Loss) Before Tax (V-VI)		(97.14)	(87.73)
VIII Tax Expense:	31		
Current Tax		-	-
Deferred Tax		26.19	14.15
Total Tax Expense		26.19	14.15
IX. Profit/(Loss) For The Year (VII-VIII)		(123.33)	(101.88)
X. Other Comprehensive Income			
(A) (i) Items that will not be reclassified to statement of Profit or Loss			
(a) Remeasurement of Defined Benefit Plans		-	0.39
(ii) Income tax relating to Items that will not be reclassified to statement of Profit or Loss		-	(0.10)
(B) (i) Items that will be reclassified 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		-	0.29
XI Total Comprehensive Income For The Year (X+XI) Comprising Profit (Loss) and Other comprehensive Income for the year		(123.33)	(101.59)
XII Earnings Per Equity Share (Face Value ₹ 10 Per Share)			
1) Basic (amount in ₹)		(1.81)	(1.50)
2) Diluted (amount in ₹)		(1.81)	(1.50)
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 Fabry India Private Limited

(Anil Aggarwal)

Director

DIN 00027214

(Atul Aggarwal)

Director

DIN 00125825

Place of Signature: New Delhi

Date: 1-0 MAY 2022

Sterling Fabry India Private Limited

Statement of Cash Flows For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow From Operating Activities		
Net Profit Before Tax	(97.14)	(87.73)
Adjustments for :		
Depreciation & Amortization (Net)	21.05	21.15
Interest Income	(8.38)	(4.97)
Interest on Lease Liability	0.32	3.16
Finance Costs	2.43	3.58
Lease Modification Gain (Net)	-	(4.89)
Provisions no longer required/ Balances written back	(6.71)	(41.75)
Provision for doubtful receivables	3.55	-
Balances Written off	10.34	0.70
Fixed Assets written off	4.97	-
Loss on Sale of Fixed Assets	1.86	-
Unrealized Foreign Exchange Loss (Net)	-	0.17
Operation Profit Before Working Capital Changes	(67.71)	(110.58)
Adjustment For :		
(Increase)/ Decrease in Financial Assets	71.74	161.79
(Increase)/ Decrease in Other Assets	3.99	8.82
(Increase)/ Decrease in Inventory	54.04	178.84
Increase / (Decrease) in Financial Liabilities	(53.80)	(143.64)
Increase / (Decrease) in Other Liabilities	(6.47)	(8.98)
(Increase)/ Decrease in Provisions	(4.00)	(4.65)
Net Cash Generated From Operations	(2.22)	81.61
Direct Taxes Paid(Net of Refund Received)	1.24	(0.42)
Net Cash From Operating Activities	(A) (0.98)	81.19
B. Cash Flow From Investing Activities		
Intflow/ (out flow) on Property, Plant & Equipment (net)	17.34	(1.64)
Interest Received	5.04	4.89
Bank Deposits	(112.70)	(50.00)
Net cash Used In Investing Activities	(B) (90.32)	(46.74)
C. Cash Flow From Financing Activities		
Payment of Lease Liability	(11.40)	(19.30)
Interest Paid	(2.43)	(6.74)
Net Cash Used In Financing Activities	(C) (13.83)	(26.04)
Net Increase in Cash & Cash Equivalent (A+B+C)	(105.13)	8.41
Cash And Cash Equivalents At The Begining Of The Year	117.79	109.38
Cash And Cash Equivalents At The End Of The Year	12.66	117.79
Cash and cash equivalents includes		
Cash on hand	0.01	0.13
Balances With Scheduled Banks :		
- Current Accounts	12.65	117.66
- Deposits with original maturity of three months or less	-	-
	12.66	117.79

Note:-

Figures in brackets represent outflows.

Summary of Significant Accounting Policies

2.3

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 Fabry India Private Limited

(Anil Aggarwal)

Director

DIN 00027214

(Atul Aggarwal)

Director

DIN 00125825

Place of Signature: New Delhi

Date: 10 MAY 2022

Sterling Fabory India Private Limited

Statement of Changes in Equity For The Year Ended March 31, 2022

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

	No. of Shares (in Lakhs)	Amount
(A) Equity share capital		
Opening Balance as at April 01, 2020	68.10	681.00
Changes during the year	-	-
Closing Balance as at March 31, 2021	68.10	681.00
Changes during the year	-	-
Closing Balance as at March 31, 2022	68.10	681.00

(B) Other Equity

	Securities Premium	Retained earnings	Total
Balance As At March 31, 2020	695.50	(924.81)	(229.31)
Profit For The Year	-	(101.88)	(101.88)
Remeasurement of defined benefit plan (net of tax)	-	0.29	0.29
Balance As At March 31, 2021	695.50	(1,026.40)	(330.90)
Profit For The Year	-	(123.33)	(123.33)
Remeasurement of defined benefit plan (net of tax)	-	-	-
Balance As At March 31, 2022	695.50	(1,149.73)	(454.23)

Summary of Significant Accounting Policies Note 2.3

The accompanying notes are an integral part of the financial 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

Place of Signature: New Delhi

Date: 10 MAY 2022

For and on behalf of the Board of Directors of
Sterling Fabory India Private Limited



(Anil Aggarwal)
Director
DIN 00027214



(Atul Aggarwal)

Director

DIN 00125825

Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

Note 1 : Corporate Information

Sterling Fabory India Private Limited was formed as a Joint Venture Company (herein referred to as 'the Company') on 9th March 2010 and 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 South Delhi DL 110025. The company is dealing in the sale of fasteners.

The Shareholding of the company is jointly held by M/s. Sterling Tools Limited, India and M/s. Fabory Masters in Fasteners Group B.V., Netherland in the ratio of 50:50.

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 May 10, 2022.

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.

Non Going Concern

During current year, the Company has discontinued its operations and has disposed off its substantial capital assets. Therefore the current year's financial statements have been prepared on liquidation basis of accounting, Accordingly all assets have been stated at their realizable value and all liabilities have been stated at the amounts at which they are expected to be settled.

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.

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.



Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

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

Company derives revenue primarily from sale of traded goods.

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. 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..

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 cases. 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.



Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

e) Intangible Assets

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) 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 is ascertained on FIFO basis.

g) 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 Retirement Benefit Schemes, payments are charged as an expense as they fall due.

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.

h) 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.

i) 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 – unrecognised 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.



Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

In accordance with Ind AS 12 Company is grouping MAT credit entitlement with Deferred Tax Assets / Liability (Net).

j) 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

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

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:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- (ii) 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 recognised in the statement of profit and loss.

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:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) 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

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.



Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

k) 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:

- (a) In the principal market for the asset or liability, or
- (b) 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.

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.

l) 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.

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.

m) 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.



Sterling Fabory India Private Limited

Notes To Financial Statements For The Year Ended March 31,2022

n) 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.

o) 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.

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 of whether it will exercise an extension or a termination option.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

p) 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.

q) 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.

*r) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended Mar 31, 2022
 (All amounts ₹ in lakh, except otherwise specified)

Note 3 : Property, Plant and Equipment

Particulars	Leasehold Improvements (Buildings)	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations and Equipments	Computer System
Gross Carrying Value (Deemed Cost)							
As At April 1, 2020	3.15	10.70	39.26	13.66	28.03	3.13	15.33
Add: Additions made during the year	-	-	-	-	0.53	-	1.10
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-
As At March 31, 2021	3.15	10.70	39.26	13.66	28.57	3.13	16.43
Add: Additions made during the year	-	-	-	-	-	-	-
Less: Disposals/adjustments during the year	3.15	10.70	39.26	13.66	28.57	3.13	15.30
As At Mar 31, 2022	-	-	-	-	-	-	1.13
Depreciation and impairment							
As At April 1, 2020	3.15	5.59	31.79	1.03	22.91	2.88	9.34
Add: Depreciation charge for the year	-	0.75	2.11	1.62	1.46	0.11	3.26
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-
As At March 31, 2021	3.15	6.35	33.90	2.65	24.37	2.99	12.61
Add: Depreciation charge for the year	-	0.50	0.93	0.68	0.70	0.02	1.71
Less: Disposals/adjustments during the year	3.15	6.85	34.83	3.33	25.07	3.01	13.40
As At Mar 31, 2022	-	-	-	-	-	-	0.92
Net Carrying Value as at 31 March, 2020	-	5.11	7.47	12.63	5.12	0.25	5.99
Net Carrying Value as at 31 March, 2021	-	4.36	5.36	11.01	4.20	0.15	3.82
Net Carrying Value as at 31 Mar 2022	-	-	-	-	-	-	0.21



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 4 : Right Of Use Assets

Particulars	Buildings	Total
Gross Carrying Value		
As At April 1, 2020	108.83	108.83
Add: Additions made during the year		
Less: Disposals/adjustments during the year	21.16	21.16
As At March 31, 2021	87.67	87.67
Add: Additions made during the year	-	
Less: Disposals/adjustments during the year	34.47	34.47
As At March 31, 2022	53.20	53.20
Depreciation		
As At April 1, 2020	62.46	62.46
Add: Depreciation charge for the year	11.71	11.71
Less: Disposals/adjustments during the year	-	-
As At March 31, 2021	74.17	74.17
Add: Depreciation charge for the year	16.39	16.39
Less: Disposals/adjustments during the year	37.35	37.35
As At March 31, 2022	53.20	53.20
Net Carrying Value as at March 31, 2020	46.37	46.37
Net Carrying Value as at March 31, 2021	13.50	13.50
Net Carrying Value as at Mar 31, 2022	-	-

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Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 5 : Other Intangible Assets

Particulars	Computer Software	Total
Gross Carrying Value (Deemed Cost)		
As At April 1, 2020	1.13	1.13
Add: Additions made during the year	-	-
Less: Disposals/adjustments during the year	-	-
As At March 31, 2021	1.13	1.13
Add: Additions made during the year	-	-
Less: Disposals/adjustments during the year	1.13	1.13
As At Mar 31, 2022	0.00	0.00
Amortisation and Impairments		
As At April 1, 2020	0.86	0.86
Add: Depreciation charge for the year	0.14	0.14
Less: Disposals/adjustments during the year	-	-
As At March 31, 2021	1.00	1.00
Add: Depreciation charge for the year	0.12	0.12
Less: Disposals/adjustments during the year	1.13	1.13
As At Mar 31, 2022	-	-
Net Carrying Value as at 31 March, 2020	0.26	0.26
Net Carrying Value as at 31 March, 2021	0.12	0.12
Net Carrying Value as at 31 March, 2022	0.00	0.00

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Sterling Fabry India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 6 : Other Financial Asset

	Non-Current				Current			
	As	At	As	At	As	At	As	At
	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022
(Unsecured considered good unless otherwise stated)								
Security Deposits	-	-	-	-	-	-	-	6.92
Interest Accrued on FDR	-	-	-	-	-	3.61	-	0.27
	-	-	-	-	-	3.61	-	7.18

Note 7 : Deferred Tax Assets (Net)

	As	At	As	At
	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022
Deferred tax assets				
Gross Deferred Tax Assets	-	-	-	20.55
Minimum Alternate Tax Credit Entitlement	-	-	-	5.63
Total deferred tax assets (Net)	-	-	-	26.19

a) Movement in Gross Deferred Tax Assets

	As	At	Recognised in	Recognised in	As	At
	March 31, 2021	March 31, 2021	Statement of	Statement of Other	March 31, 2022	March 31, 2022
			Profit and Loss	Comprehensive		
				Income		
Ind AS 116 Adoption Impact		1.26	(1.26)	-	-	-
Property, Plant & Equipment: Impact of difference between Depreciation as per Income Tax Act & Depreciation/Amortization as per Companies Act		3.71	(3.71)	-	-	-
Provision for employee benefits		2.39	(2.39)	-	-	-
Provision for Slow/Non Moving of Inventories		0.04	(0.04)	-	-	-
Unabsorbed Depreciation		15.77	(15.77)	-	-	-
Impact of other expenditures charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis		0.38	(0.38)	-	-	-
Others		-3.00	3.00	-	-	-
		20.55	(20.55)	-	-	-

Note 8 : Tax Assets (Net)

	Non-Current				Current			
	As	At	As	At	As	At	As	At
	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022
Advance Income Tax & TDS (Net of Provision ₹ Nil, March 31, 2021 : ₹ Nil)		1.97	3.21			-		-
		1.97	3.21			-		-

Note 9 : Other 'Non- Current' & 'Current Assets'

	Non-Current				Current			
	As	At	As	At	As	At	As	At
	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022
Advance to Suppliers	-	-	-	-	-	-	-	0.31
Prepaid Expenses	-	0.01	-	-	-	-	-	3.71
Balance with Revenue Authorities	-	-	-	-	-	3.55	-	2.84
Less: Provision for doubtful receivable	-	-	-	-	-	(3.55)	-	-
	-	0.01	-	-	-	-	-	6.86

Note 10 : Inventories

(As taken, valued and certified by the management)

	As	At	As	At
	Mar 31, 2022	March 31, 2021	March 31, 2021	March 31, 2022
Stock-in-Trade	-	-	-	52.21
Stock-in-Trade : Goods in Transit	-	-	-	1.40
Packing Material	-	-	-	0.59
	-	-	-	54.20
Less: Provisions for Slow and Non moving Inventories- Stock in Trade	-	-	-	0.16
	-	-	-	54.04



Sterling Fabry India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 11 : Trade Receivables

	As Mar 31, 2022	At March 31, 2021
Trade Receivables Considered Good- Unsecured	-	75.17
Trade Receivables Considered Good- Secured	-	-
Trade Receivables which have significant increase in Credit Risk; and	-	-
Trade Receivables - credit impaired	-	-
	-	75.17

a) Trade receivables ageing schedule as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-

b) Trade receivables ageing schedule as at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	74.74	0.43	-	-	-	75.17

Note 12 : Cash and Cash Equivalents

	As Mar 31, 2022	At March 31, 2021
Balances With Scheduled Banks :		
- Current Accounts	-	12.65
- Deposits with original maturity of three months or less	-	-
Cash on hand	-	0.01
	12.66	117.79

Note 13 : Bank Balance other than Cash and Cash Equivalent

	Non-Current		Current	
	As Mar 31, 2022	At March 31, 2021	As Mar 31, 2022	At March 31, 2021
Deposits with original maturity of more than 3 months but not more than 12 months	-	-	212.70	100.00
	-	-	212.70	100.00



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts in ₹ lakh, except otherwise specified)

Note 14 : Share Capital

	As At March 31, 2022	As At March 31, 2021
Authorised:		
80 lakh (March 31, 2021: 80 lakh) equity shares of ₹10/- each	800.00	800.00
Issued, Subscribed & Paid Up:		
68.10 lakh (March 31, 2021: 68.10 lakh) equity shares of ₹10/- each	681.00	681.00
	681.00	681.00

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

I. Reconciliation Of Authorised Share Capital

	As At March 31, 2022		As At March 31, 2021	
	No. of Shares*	Amount	No. of Shares*	Amount
Outstanding at the Beginning Of The Year	80.00	800.00	80.00	800.00
Increase/(decrease) during the year	-	-	-	-
Outstanding at the End Of The Year	80.00	800.00	80.00	800.00

II. Reconciliation of Issued and Subscribed Share Capital

	As At March 31, 2022		As At March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning Of The Year	68.10	681.00	68.10	681.00
Add: Increase/(Decrease) During The Year	-	-	-	-
Outstanding at the End Of The Year	68.10	681.00	68.10	681.00

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, 2022		As At March 31, 2021	
	No. of Shares*	% holding	No. of Shares*	% holding
Sterling Tools Limited	34.05	50.00%	34.05	50.00%
Fabory Masters in Fasteners Group B.V.	34.05	50.00%	34.05	50.00%

Shareholding of Promoters

Promoter name	Shares held by promoters as at March 31, 2022			Shares held by promoters as at March 31, 2021		
	No. of Shares *	% of total shares	% Change during the	No. of Shares *	% of total shares	% Change during the year
Sterling Tools Limited	34.05	50%	0%	34.05	50%	0%
Fabory Masters in Fasteners Group B.V.	34.05	50%	0%	34.05	50%	0%

* Number of shares in Lakhs.

Note 15 : Other Equity

	As At March 31, 2022	As At March 31, 2021
Security Premium	695.50	695.50
Retained Earnings	(1,149.73)	(1,026.40)
Total	(454.23)	(330.90)



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts in ₹ lakh, except otherwise specified)

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

b) Nature and Purpose of Other Equity

(i) Security Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve will be utilised in accordance with provisions of the Companies Act 2013.

(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.



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Sterling Fabry India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 16 : Provisions

	As At March 31, 2022		As At March 31, 2021	
	Non-current	Current	Non-current	Current
Provisions For Employee Benefits				
Compensated Absences (Refer Note No. 27)	-	-	3.18	0.17
Gratuity (Refer Note No. 27)	-	-	5.80	0.06
Provision for VAT liability	-	2.04	-	-
	-	2.04	8.98	0.23

Note 17 : Trade Payables

	As March 31, 2022	At March 31, 2021
- Total outstanding dues to micro enterprises and small enterprises (Refer Sub-note 'iv' below)	-	5.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Sub-note 'iv' below)	1.93	54.38
	1.93	60.04

i) 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	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	1.93	1.93
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

ii) Trade Payables ageing schedule as at March 31, 2021:

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	
(i) MSME	5.67	-	-	-	-	5.67
(ii) Others	38.25	-	-	-	16.13	54.38
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

(iii) Trade payables to related parties amounts to ₹ Nil as at March 31, 2022 (March 31, 2021 : ₹ 20.83 Lakh)

(iv) 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 Amount	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;	1.93	-	1.93
(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;	-	-	-
(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.	-	-	-

(v) The amount does not include any amount due to be transferred to Investor Protection and Education fund.

(vi) 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 Current Liabilities

	As March 31, 2022	At March 31, 2021
Advance From Customer	-	2.38
Statutory Dues	0.40	4.49
	0.40	6.87



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 19 : Revenue From Operations

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Sale of Products		
- Traded Goods	154.28	764.27
Other Operating Revenues		
- Service Income	3.33	6.25
- Scrap Sales	1.31	15.46
	158.93	785.98

a) Details of products sold

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Traded goods sold		
Fasteners	154.28	764.27

Note 20 : Other Income

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Interest on		
- Fixed Deposits	8.02	4.41
- Tax refund	0.22	-
Unwinding of discount on deposits *	0.14	0.56
Lease Modification Gain	-	4.89
Sundry Balances Written Back	4.77	1.18
Provision for Inventory no longer required	0.16	40.57
Provision for Gratuity Written Back	1.78	-
Exchange Fluctuation (Net)	0.41	-
	15.51	51.61

* Represents interest income under effective interest rate method on security deposits at amortised cost.

Note 21 : Purchase of Stock-in-trade

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Purchase of Fasteners	106.79	475.53
	106.79	475.53

Note 22 : Changes in Inventories of Stock-in-Trade

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Inventories at the beginning of the year		
- Traded Goods	53.61	232.49
	53.61	232.49
Inventories at the end of the year		
- Traded Goods	-	52.21
- Stock-in-Trade (Goods in Transit)	-	1.40
	-	53.61
(Increase)/ decrease in inventories	53.61	178.88

Note 23 : Employee Benefits Expense

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Salary ,Wages & Bonus	31.50	143.21
Contribution to Provident & Other Funds	1.80	8.92
Gratuity Expenses (Refer Note No. 28)	-	2.03
Compensated Absences (Refer Note No. 28)	1.97	3.81
Staff Welfare Expenses	0.79	3.26
	36.06	161.23



Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended Mar 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Note 24 : Finance Costs		
Interest on		
- Lease liability	0.32	3.16
Other borrowing cost	2.43	3.58
	2.75	6.74

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Note 25 : Depreciation		
Depreciation expense on Property Plant and Equipment	4.54	9.30
Amortization expense on Intangible Assets	0.12	0.14
Amortization expense on Right of Use Assets	16.39	11.71
	21.05	21.15

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
Note 26 : Other Expenses		
Packing Materials Consumed	0.59	2.31
Job Work Charges	0.08	3.49
Electricity & Water Expenses	0.53	3.73
Repairs & Maintenance charges	0.33	1.52
Insurance	4.17	2.80
Legal & Professional Charges	1.33	3.71
Rates and taxes	0.08	0.51
Payment to Auditors (Refer note 'a' below)	2.75	3.55
Travelling & conveyance expenses	1.65	3.42
Freight Outward	1.77	13.68
Communication Expenses	2.44	7.74
Watch & Ward Expenses	10.40	19.65
Bank Charges	0.64	2.33
Exchange Fluctuation (Net)	-	3.87
Bad Debts written off	9.86	0.70
Miscellaneous Expenses	3.81	8.77
Balances Written off	0.48	-
Provision for doubtful receivables	3.55	-
Fixed Assets Written Off	4.97	-
Loss on sale of fixed assets	1.86	-
	51.30	81.78

a) Details of Payments to Auditors:

	For The Year Ended March 31, 2022	For The Year Ended March 31, 2021
As Auditor:		
- Statutory audit	1.80	2.20
- Tax audit	-	1.00
In other capacity		
- Other Services	0.95	0.35
- Out of pocket expenses	-	-
	2.75	3.55

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Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 27 : 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, 2022	For the year ended March 31, 2021
Provident Fund	1.78	8.73
ESI Contribution	-	0.06
Labour Welfare Fund	0.02	0.13
Total	1.80	8.92

II) Defined benefit plans

Year Ended 31.03.2022

For year ended 31.03.2022, all employees have been settled for full and final dues, Liability of Gratuity has been recognised on Management estimation basis and as per provisions of Payment of Gratuity Act 1972, accordingly 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.

During current year, obligation for gratuity was recognised as following:

	Gratuity (Unfunded) March 31, 2021
Gratuity Obligation at beginning of year	5.86
Expenses recognised during the year	-
Benefits paid	(4.08)
Provision for gratuity written back	(1.78)
Gratuity Obligation as on 31.03.22	(0.00)

Year Ended 31.03.2021

For year ended 31.03.2021, 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.

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 (viz. gratuity). Gratuity obligation has been provided on accrual basis, based on year end actuarial valuation.

	As At March 31, 2021 Gratuity (Unfunded)
Change in benefit obligation	
1 Opening defined benefit obligation	9.41
2 Acquisition Adjustment	-
3 Add: Interest cost	0.45
4 Add: Current service cost	1.57
5 Add: Past Service cost	-
6 Less: Benefits paid	(5.19)
7 Add: Actuarial (gain) / loss	(0.39)
Present value of obligation as at the end of the year	5.86

The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	For the year ended March 31, 2021 Gratuity (Unfunded)
Cost for the year included under employee benefit	
Add: Current service cost	1.57
Add: Interest cost	0.45
Add: Actuarial (gain) / loss	-
Net cost	2.03



Sterling Fabroy India Private Limited
Notes to Financial Statements For The Year Ended March 31, 2022
 (All amounts ₹ in lakh, except otherwise specified)

e) Detail of actuarial gain/loss recognised in OCI is as follows:

	For the year ended March 31, 2021
	Gratuity (Unfunded)
1 Actuarial gain / (loss) for the year – obligation	(0.39)
2 Actuarial gain / (loss) for the year - plan assets	-
3 Total gain / (loss) for the year	(0.39)
4 Actuarial gain / (loss) recognised in the year	(0.39)
5 Unrecognised actuarial gains / (losses) at the end of year	-

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

	For the year ended March 31, 2021
	Gratuity (Unfunded)
Economic assumptions	
1 Discount rate	6.77%
2 Rate of increase in compensation levels	5.00%
Demographic assumptions	
1 Expected average remaining working lives of employees (years)	19
2 Retirement Age (years)	58
3 Mortality Rate	Indian Assured Lives Mortality (2012-14) (modified)
Withdrawal Rate	
All Ages	1%

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.

Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	For the year ended March 31, 2021
	Gratuity (Unfunded)
Present value of obligation	5.86
Less: Fair value of plan assets	-
Net (assets) / liability	5.86

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

	For the year ended March 31, 2021
	Gratuity
A. Discount rate	
Decrease on DBO due to 1% increase in Discount Rate	0.78
Increase on DBO due to 1% decrease in Discount Rate	0.94
B. Salary escalation rate	
Increase on DBO due to 1% increase in Salary Escalation Rate	0.97
Decrease on DBO due to 1% decrease in Salary Escalation Rate	0.82



Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

C. Withdrawal Rate

Effect on DBO due to 1% increase in Withdrawal Rate	0.08
Effect on DBO due to 1% decrease in Withdrawal Rate	0.10

h) Maturity profile of defined benefit obligation is as follows:

	As at March 31, 2021
	Gratuity
1 year	0.06
2 to 5 years	0.38
Above 5 years	1.58

III. Other long-term employee benefit plans

Compensated absences

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 60 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

Year Ended 31.03.2022

For year ended 31.03.2022, All employees have been settled for full and final dues. Liability for compensated absences has been recognised as per management estimation and as per company policy for leave encashment.

During the year obligation for compensated Leaves was recognised as following:

	March 31, 2022
Compensated absences Obligation at beginning of year	3.35
Expenses recognised during the year	1.97
Benefits paid	(5.33)
Compensated absences Obligation as on 31.03.22	-

Year Ended 31.03.2021

For the year ended 31.03.2021, liability for earned leaves was recognised on basis of actuarial valuation. Change in Compensated Leave obligation and expenses recognised for year ended 31.03.2021 is following :

	(Unfunded)
	March 31, 2021
Change in compensated absences obligation	
1 Opening defined benefit obligation	4.84
2 Add: Interest cost	0.15
3 Add: Current service cost	1.31
4 Less: Benefits paid	(5.30)
5 Add: Actuarial (gain) / loss	2.35
Present value of obligation as at the end of the year	3.35

Cost for the year included under employee benefit

	For the year ended
	March 31, 2021
Add: Current service cost	1.31
Add: Interest cost	0.15
Add: Actuarial (gain) / loss	2.35
Net cost	3.81



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 28: Capital Management

For the purpose of Company's capital management, capital includes issued equity capital, share premium 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, 2022	At March 31, 2021
Trade Payables (Refer Note No. 17)	1.93	60.04
Other Financial Liabilities	-	-
Other Payables (Refer Note No. 18)	0.40	6.87
Less: Cash and Cash Equivalents (Refer Note No. 12)	12.66	117.79
Net debt/ (Excess of cash and cash equivalents)	(10.33)	(50.87)
Equity share capital (Refer Note No. 14)	681.00	681.00
Other equity (Refer Note No. 15)	(454.23)	(330.90)
Total Capital	226.77	350.10
Capital and net debt	216.45	299.23
Gearing ratio	-5%	-17%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.



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Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

(All amounts ₹ in lakh, except otherwise specified)

Note 29 : Fair value measurements

(a) Financial instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments. Here the disclosure is made for non-current financial assets and non-current financial liabilities, carrying value of current financial assets and current financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, lease liabilities, current borrowing, other current financial liabilities etc. represent the best estimate of fair value.

The management assessed that fair value of these short term financial assets and liabilities significantly approximate their carrying amount largely due to short term maturities of these instruments.

(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

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

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 31.03.2022

Particulars	Carrying Amount					Fair Value			
	FVTOCI	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	-	-	-	-	-	-	-	-	-
Interest Accrued on Fixed Deposits	-	-	3.61	-	3.61	-	-	-	-
Trade Receivables- Considered Good	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	12.66	-	12.66	-	-	-	-
Other Bank Balances	-	-	212.70	-	212.70	-	-	-	-
	-	-	228.97	-	228.97	-	-	-	-
Financial Liability measured at fair value	-	-	-	-	-	-	-	-	-
Financial liability not measured at fair value									
Lease Liabilities	-	-	-	-	-	-	-	-	-
Trade payables	-	-	-	1.93	1.93	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-	-
	-	-	-	1.93	1.93	-	-	-	-

As At 31.03.2021

Particulars	Carrying Amount					Fair Value			
	FVTOCI	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	-	-	6.92	-	6.92	-	-	-	-
Interest Accrued on Fixed Deposits	-	-	0.27	-	0.27	-	-	-	-
Trade Receivables- Considered Good	-	-	75.17	-	75.17	-	-	-	-
Cash and Cash Equivalents	-	-	117.79	-	117.79	-	-	-	-
Other Bank Balances	-	-	100.00	-	100.00	-	-	-	-
	-	-	300.14	-	300.14	-	-	-	-
Financial Liability measured at fair value	-	-	-	-	-	-	-	-	-
Financial liability not measured at fair value									
Lease Liabilities	-	-	-	6.77	6.77	-	-	-	-
Trade payables	-	-	-	60.04	60.04	-	-	-	-
	-	-	-	66.82	66.82	-	-	-	-



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 Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

Note 30: 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, 2022 and March 31, 2021.

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

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

	EUR
31 March 2022	
Trade payables and other financial liabilities	-
Net exposure of recognised financial liabilities	-
Trade receivables	-
Net exposure of recognised financial assets	-
31 March 2021	
Trade payables and other financial liabilities	0.24
Net exposure of recognised financial liabilities	0.24
Trade receivables	-
Net exposure of recognised financial assets	-

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
31 March 2022		
EUR (5% movement)	-	-
31 March 2021		
EUR (5% movement)	(1.04)	1.04

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	Les than 90 days	90-180 days	180-270 days	270-360	Total
Trade Receivables as of March 31, 2022	-	-	-	-	-
Trade Receivables as of March 31, 2021	70.92	3.81	0.04	0.40	75.17



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

ii) Financial instruments and cash deposits

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, 2022

Trade payables
Total

	Less than 90	Total
Trade payables	1.93	1.93
Total	1.93	1.93

As at March 31, 2021

Trade payables
Lease liabilities
Total

	Less than 90	Total
Trade payables	60.04	60.04
Lease liabilities	6.77	6.77
Total	66.81	66.81

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Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

Note 31 : Income Tax Expense

The major components of income tax expense are:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	-	-
Deferred tax	26.19	14.15
Total Income tax expense/(Income) reported in the statement of profit or loss	26.19	14.15

OCI section

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net loss/(gain) on remeasurements of defined benefit plans	-	0.10
	-	0.10

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting profit before income tax	(97.14)	(87.73)
At India's statutory income tax rate of 26% (March 31, 2021 : 26%)	(25.26)	(22.81)
Adjustment in respect of current income tax for previous year	-	-
Tax Effect of Expenses not deductible for tax purposes	-	-
Other adjustments including tax rate change *	50.56	(0.11)
Tax Effect of carry forward/ set off from brought forward losses	-	37.07
At effective income tax rate	25.30	14.15
Income tax expense reported in the statement of profit and loss	26.19	14.15
Variance	(0.89)	0.00

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.

* Due to closure of operations and liquidation basis of accounting adopted by the company in current year, entire Deferred tax assets (net) have been derecognised during the current year, which caused adjustment as mentioned in reconciliation.



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Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

Note 32 : Earning Per Share (EPS)

		For the year ended March 31, 2022	For the year ended March 31, 2021
Basic/ Diluted Earning Per Share			
Profit attributable to Equity Shareholders	(A)	(123.33)	(101.88)
Weighted average equity Shares outstanding at the end of the year	(B)	68.10	68.10
Earning per share - Basic/Diluted	(A/B)	(1.81)	(1.50)

Note 33 : Leases

Operating lease commitments - Company as lessee

During the year, company has occupancy of two premises on operating leases. Lease term for both leases has ended during year ended 2022. Following is movement in lease liabilities during the year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	6.77	52.65
Lease Modification & Reassessment Adjustments	-	(26.58)
Finance cost accrued during the year	0.32	3.16
Payment of Lease Liabilities & Adjustments	(7.09)	(22.46)
Balance as at end of Year	-	6.77
Non-current lease liabilities	-	-
Current lease liabilities	-	6.77
Total lease liabilities	-	6.77

Detail of contractual maturities of lease liabilities as as following:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Less Than One Year	-	6.77
Total	-	6.77

Note 34 : Related Party Disclosures

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

Ultimate Holding company of Fabory Masters in Fasteners Group B.V	Grainger International Holdings B.V.
Joint Venturer	Sterling Tools Ltd M/s. Borstlap Master (Fasteners Group) Fabory Masters in Fasteners Group B.V
Key Management Personnel	Mr. Johan Emiel Dewandeleer - Director (Resignation on Mr. Ronald Ernest Baarslag - Director (Resignation on Mr. Anil Aggarwal – Director Mr. Atul Aggarwal – Director Mr. Jeroen van de Sande - Director (Appointed from Mr. Francisco Terol - Director (Appointed from 01.12.2020) Mr. Rene Marcel Pit - Director (Appointed from 01.02.2021)
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

Particulars	Joint Venturers	Key Management Personnel	Enterprises owned or significantly influenced by KMP or their
Purchase of Property, Plant & Equipment	- (1.93)	-	-
Sale of Property, Plant & Equipment	16.50	-	0.85
Sale of Material	- (1.11)	-	-
Purchase of Material	- (121.84)	-	(0.33)
Expenses Paid	-	-	0.14 (0.27)
Rent paid	-	-	1.50 (12.00)
Reimbursable Expenses	-	-	0.30 (0.28)

*Figures in brackets represents corresponding amounts of previous years.

Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

c) Details of Transactions With Related Parties:

Enterprise over which KMP can exercise significant influence	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Property, Plant & Equipment		
Sterling Automobile Pvt. Ltd.	0.85	-
Sterling Tools Ltd	16.50	-
Purchase of Property, Plant & Equipment		
Fabory Netherlands	-	1.93
Sale of Material		
Sterling Tools Ltd	-	1.11
Purchase of Material		
Sterling Tools Ltd (including Goods in Transit)	-	3.48
Fabory Netherlands(Including Goods in transit)	-	118.36
Fabory Shanghai	-	0.33
Expenses paid		
Sterling Automobile Pvt. Ltd.- Vehicle Repairs	0.14	0.27
Rent paid		
Sterling Technologies Pvt. Ltd.	1.50	12.00
Reimbursable Expenses incurred by others		
Sterling Automobile Pvt. Ltd.	0.30	0.28
Recievables/(Payables) 'Net Balances' as at March 31, 2022		
Fabory Netherlands	-	(20.83)

Notes:

-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 and interest free and settlement occurs in cash within 12 month of reporting date. There have been no guarantees provided or received for any related party payables/receivables. 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.

Note 35 : Contingent Liability	For the year ended March 31, 2022	For the year ended March 31, 2021
VAT demands*		
FY 2014-15	1.06	1.06
FY 2016-17	2.54	2.54
FY 2017-18	0.26	0.26
	3.86	3.86

*Vat Demands are against unverified C- forms from VAT Authority.

Note 36 : Unhedged Foreign Currency Exposure

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

Particulars	March 31, 2022		March 31, 2021	
	Foreign Currency amt in Lakh	₹ Amount in Lakh	Foreign Currency amt in Lakh	₹ Amount in Lakh
Foreign currency exposure not hedged (Buy)				
Euro	-	-	0.24	20.83



Sterling Fabory India Private Limited

Notes to Financial Statements For The Year Ended March 31, 2022

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

Note 37 : Ratios

Particulars	Base	31st March 2022	31st March 2021	Explanation for change by more than 25%
(a) Current Ratio	Current Assets/Current Liability	52.36	4.88	Due to closure of operations in current year, there is high level of cash & bank balance.
(b) Debt-Equity Ratio (Net Debt/Total)	Net Debt/ Shareholders' Equity	NA	NA	NA
(c) Debt Service Coverage Ratio	Earnings available for debt service / Debt Service	NA	NA	NA
(d) Return on Equity Ratio	Net Profit after tax/ Average Net Worth	(0.43)	(0.25)	Increase in net loss due to closure of operations.
(e) Inventory turnover ratio	Sales of Products/ Average Inventory	5.71	6.20	-
(f) Trade Receivables turnover ratio	Net Credit Sale/ Average Accounts receivable	4.23	5.01	Due to closure of operations in current
(g) Trade payables turnover ratio	Net Credit Purchase / Average Trade Payables	3.45	3.60	-
(h) Net capital turnover ratio	Net Sales/ Working Capital	0.71	2.74	Due to closure of operations in current
(i) Net profit ratio	Profit after tax/Total revenue from operations	(0.78)	(0.13)	High profit after tax in current year due to closure of operations.
(j) Return on Capital employed	Earnings before interest & tax/Capital employed	(0.42)	(0.23)	High loss before interest and tax in current year due to closure of operations.
(k) Return on investment	Return on Investment/Cost of Investment	NA	NA	NA

Note 38 : Segment Information

1. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being 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 sales of fasteners, which is considered to be the only reportable segment.

2. Major Customers: Revenue from One customers of the Company's trading business is more than 10 percent of the Company's total revenue. Revenue from single major customers of the Company's trading business is ₹ 149.73 lakhs (March 31, 2021 : ₹ 217.45 lakhs).

Note 39 : 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 40 : The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year.

Note 41 : 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, 2022.

Note 42 : Due to continued losses and in view of the fact that the Company is now non operative, the Company has not recognized deferred tax assets against business losses as there is no probability of realization of the same.

Note 43 : Figures have been rounded off to the nearest lakh except otherwise stated.



For and on behalf of the Board of Directors of
Sterling Fabory India Private Limited


(Anil Aggarwal)
Director
DIN 0002721


(Atul Aggarwal)
Director
DIN 00125825

Place of Signature: New Delhi

Dated: 10 MAY 2022