

Independent Auditor's Report

To the Members of Saks Ancillaries Limited

Report on Ind AS financial statements

1. Opinion

We have audited the accompanying Ind AS financial statements of Saks Ancillaries Limited ("the Company"), which comprise the Balance Sheet as of 31st March 2022, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit (including Other Comprehensive Income), its Cash Flows and Changes in Equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of Ind AS 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Ind AS financial statements.



3. Responsibility of Management for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, other comprehensive income, cash flows and changes in equity of the Company in accordance with 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 the safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management 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.

4. Auditor's Responsibilities for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in Ind AS 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 Ind AS financial statements, including the disclosures, and whether Ind AS financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by the 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, the Statement of Cash Flows, and the Statement of Changes in Equity dealt with by the report are in agreement with the books of account.



- d. In our opinion, the aforesaid Ind AS financial statements complies with the Indian Accounting Standards referred to in section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of written representations received from the directors as of 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as of 31st March 2022, from being appointed as a director in terms of section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. As per information and explanations furnished to us and on examination of the records produced, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of the Act, read with Schedule V of the Act.
- h. 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 materially 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 that were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv.
 - a) The management has represented, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.



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) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid dividends during the year, hence no compliance with section 123 of the Companies Act, 2013 is applicable.

For R K Khanna & Co.
Chartered Accountants
FRN 000033N



Place: New Delhi
Date: 09th May, 2022

Vipin Bali
Partner
M.No. 083436
UDIN:22083436AIREMU8001

R K KHANNA & CO.

CHARTERED ACCOUNTANTS

**D-41, SOUTH EXTENSION PART II,
NEW DELHI, INDIA - 110 049**

TEL: 011 2625 3522

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"Annexure A" of our Independent Auditor's Report of even date on Ind AS financial statements as at and for the year ended 31st March 2022 of Saks Ancillaries Limited.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plants, and Equipment.

b) Substantial part of the Property, Plants, and Equipment has been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanations, and the records provided to us, the title deeds of immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as of the balance sheet date.

d) The Company has not revalued any Property, Plant, and Equipment during the year.

e) No proceedings have been initiated during the year or are pending against the Company as of March 31, 2022, for holding any Benami property under the Prohibition of Benami Property Transactions Act (as amended in 2016) and rules made thereunder.
2. a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) There are no sanctioned working capital limits hence no comment is required under paragraph 3(ii)(b) of the Order.
3. During the year the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register-maintained u/s 189 of the Act. An unsecured loan given to a related party in earlier years has been repaid during the year along with interest and there are no dues outstanding as at the balance sheet date. The terms and conditions of the said loan were not prejudicial to the company's interest.
4. As per the information and explanations given to us, during the year the Company has not given any guarantee, loan, security or made any investment which falls under the provisions of section 185 and 186 of the Act, hence no comment is required under paragraph 3(iv) of the Order.



5. According to the information and explanations given to us and records examined, the Company has not accepted any deposits or deemed deposits that are covered by paragraph 3 (v) of the Order.
6. According to the information and explanations given to us, the Central Government has specified maintenance of the cost records under section 148(1) of the Companies Act, 2013. The Company has substantially complied with the requirements.
7. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues as applicable.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no amounts that have been deposited on account of any disputes the company has no pending dispute in respect of Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), hence, no comment is required under paragraph 3(viii) of the Order.
9. a) As per information and explanations furnished to us and on verification of the records produced, the Company has not taken any loan or borrowing from any Lender, hence no comment is required under paragraph 3 (ix)(a) of the Order. The Company has not issued any debentures.

b) According to the information and explanations given to us and the records of the Company examined by us, the company has not been declared a wilful defaulter by any lender, hence no comment is required under paragraph 3 (ix)(b) of the Order.

c) As per the information and explanations given to us and the records of the Company examined by us, the Company has not taken any term loans during the year and there are no outstanding term loans at beginning of the year, hence no comment is required under paragraph 3 (ix)(c) of the Order.

d) On an overall examination of the financial statements of the Company, funds raised on a short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.



- e) The Company does not have any subsidiaries, associates or joint ventures; hence no comment is required under paragraph 3(ix)(e) of the Order regarding taking of any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- f) The Company does not have any subsidiaries, associates or joint ventures; hence no comment is required under paragraph 3(ix)(f) of the Order regarding raising loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
10. a) As per information and explanations given to us and as per verification of the records produced before us, the Company does not have any raised money by way of an initial public offer or further public offer (including debt instruments), hence no comment is required under paragraph 3 (x) of the Order.
- b) As per information and explanations furnished to us and on verification of the records produced, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence, no comment is required under paragraph 3 (x) of the Order.
11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanation given to us no whistleblower complaints have been received by the company during the year.
12. The Company is not a Nidhi Company; hence, no comment is required under paragraph 3 (xii) of the Order.
13. As per information and explanations furnished to us and on examination of the records produced, the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in Ind AS financial statements as required by the applicable Indian Accounting Standards.
14. As per the information provided and based on our examination, the Company does not have an internal audit system and the Company is not required to have an internal audit as mandated by section 138 of the Companies Act, 2013. Hence, no comment is required under paragraph 3(xiv) of the Order.



15. As per information and explanations furnished to us and on verification of the records produced, the Company has not entered into any non-cash transactions referred to in section 192 of the Act with directors or persons connected with him during the year. Hence, no comment is required under paragraph 3(xv) of the Order.
16. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraphs 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In accordance with information and explanations furnished to us, in our opinion, the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) did not have more than one core investment company during the year and as of the Balance Sheet date the group does not have any core investment company; accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The company has not incurred cash losses during the period covered by the audit report and in the immediately preceding financial year, hence, no comment is required under paragraph 3 (xvii) of the Order.
18. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable. Hence, no comment is required under paragraph 3(xviii) of the Order.
19. 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 the 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.



20. As per information and explanations furnished to us and on verification of the records produced, the Company is not covered under Section 135, hence, there is no Corporate Social Responsibility obligation for the financial year ended 31st March 2022. Hence, no comment is required under paragraph 3(xx) of the Order.

**For R K Khanna & Co.
Chartered Accountants
FRN 000033N**



**Place: New Delhi
Date: 09th May, 2022**

**Vipin Bali
Partner
M.No. 083436
UDIN:22083436AIREMU8001**

R K KHANNA & CO.

CHARTERED ACCOUNTANTS

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"Annexure B" to the Independent Auditor's Report of even date on Ind AS Financial Statements as at and for the year ended 31st March 2022 of Saks Ancillaries Limited

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

We have audited the internal financial controls over financial reporting of Saks Ancillaries Limited ("the Company") as of 31st March 2022, in conjunction with our audit of Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding



of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has generally in most aspects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2022, based on the internal control over financial reporting criteria



established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R K Khanna & Co.
Chartered Accountants
FRN 000033N**



**Place: New Delhi
Date: 09th May, 2022**

**Vipin Bali
Partner
M.No. 083436
UDIN:22083436AIREMU8001**

SAKS ANCILLARIES LIMITED
CIN: U74899MH1985PLC285656
Balance Sheet as at March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

Particulars	Notes	March 31, 2022	March 31, 2021
Assets			
Non current assets			
Property, plant and equipment	3	2,185	2,319
Financial assets			
Other financial assets	4	118	188
Total non-current assets		2,303	2,507
Current Assets			
Financial assets			
Cash and cash equivalents	5a	1,030	536
Bank balances other than (5a) above	5b	1,09,500	53,000
Loans	6	-	50,000
Other financial assets	7	4,408	7,360
Current tax assets (net)	8	572	598
Other current assets	9	293	242
Total current assets		1,15,803	1,11,736
Total assets		1,18,106	1,14,243
Equity and liabilities			
Equity			
Equity share capital	10	24,997	24,997
Other equity	11	92,951	89,151
Total equity		1,17,948	1,14,148
Liabilities			
Current liabilities			
Financial liabilities			
Other current liabilities	12	158	95
Total current liabilities		158	95
Total liabilities		158	95
Total equity and liabilities		1,18,106	1,14,243

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors



Sanjeev Mathur
 Director
 DIN 01092028



Rajat Jain
 Director
 DIN 00658228

As per our report attached
 For R K Khanna & Co.
 Chartered Accountants
 FRN: 000033N

Vipin Bali
 Partner
 M.No. 083436



Place: New Delhi
 Date: May 9, 2022



SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Statement of Profit and Loss for the period ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

Particulars	Notes	March 31, 2022	March 31, 2021
Revenue			
Revenue from operations	13	-	-
Other income	14	6,001	6,059
Total Income		6,001	6,059
Expenses			
Finance cost *	15	0	0
Depreciation	3	135	135
Other expenses	16	738	754
Total expenses		873	889
Profit before tax		5,128	5,170
Tax expense:			
- Current		1,328	1,350
- Short/(Excess) for earlier years		-	(23)
Profit for the year		3,800	3,843
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		3,800	3,843

* Amount shown here is below the rounding off norm adopted by the company

Earnings per equity share of Rs.10 each	17		
Basic		1.52	1.54
- Diluted		1.52	1.54

Summary of significant accounting policies

2

The accompanying notes are integral part of the financial statements.

For and on behalf of the Board of Directors

As per our report attached

For R K Khanna & Co.

Chartered Accountants

FRN: 000033N


Sanjeev Mathur
Director
DIN 01092028


Rajat Jain
Director
DIN 00658228


Vipin Ball
Partner
M.No. 083436



Place: New Delhi
Date: May 9, 2022



SAKS ANTELLARIES LIMITED
CIN : U74899MH1985PC285556
Statement of changes in equity for the year ended March 31, 2022

As per our report attached
For P & Sharma & Co.
Chartered Accountants
FIRN: 000033M

Vijay Bhat
Partner
PIN: 0854345

As at March 31, 2022

Particulars	Balance at the beginning of the current reporting period	Changes in Equity (Share Capital due to prior period error)	Retained balance at the beginning of the current reporting period	Changes in equity (Share Capital due to prior period error)	Balance at the end of the current reporting period
Share Capital	20,000	-	20,000	-	20,000
Reserves and Surplus	24,000	-	24,000	-	24,000
Total	44,000	-	44,000	-	44,000

As at March 31, 2021

Particulars	Balance at the beginning of the previous reporting period	Changes in Equity (Share Capital due to prior period error)	Retained balance at the beginning of the previous reporting period	Changes in equity (Share Capital due to prior period error)	Balance at the end of the previous reporting period
Share Capital	20,000	-	20,000	-	20,000
Reserves and Surplus	24,000	-	24,000	-	24,000
Total	44,000	-	44,000	-	44,000

B. Other Equity

As at March 31, 2022

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debit instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of cash flow hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	General Reserve								
Balance at the beginning of the current reporting period	-	-	-	200	-	-	58,736	-	-	-	-	-	59,132
Changes in accounting policy or error-correcting errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	200	-	-	58,736	-	-	-	-	-	59,132
Total Comprehensive Income for the current year	-	-	-	-	-	-	2,895	-	-	-	-	-	2,895
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	200	-	-	61,631	-	-	-	-	-	62,031

As at March 31, 2021

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debit instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of cash flow hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	General Reserve								
Balance at the beginning of the current reporting period	-	-	-	200	-	-	84,913	-	-	-	-	-	85,308
Changes in accounting policy or error-correcting errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	200	-	-	84,913	-	-	-	-	-	85,308
Total Comprehensive Income for the current year	-	-	-	-	-	-	2,895	-	-	-	-	-	2,895
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	200	-	-	87,808	-	-	-	-	-	88,203

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

[Signature]
Rajesh Jain
Director
DIN: 00555228

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors

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For and on behalf of the Board of Directors

For and on behalf of the Board of Directors



SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Cash flow Statement for the period ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
A. Cash flow from/(used in) operating activities:		
Net profit/(loss) before tax	5,128	5,170
Adjustments for:		
Depreciation	135	135
Interest income from loan given	(4,451)	(4,500)
Interest income From Bank deposits	(1,547)	(1,544)
Interest income From Income Tax refund	(4)	(15)
Finance cost*	0	0
Operating profit/(Loss) before working capital changes	(738)	(754)
Change in working capital:		
Increase/(Decrease) in other current liabilities	63	(130)
(Increase)/Decrease in other non-current financial assets	70	-
(Increase)/Decrease in other current assets	(51)	(142)
Cash from/(used in) operations	(657)	(1,026)
Less: Income tax paid	(1,350)	(1,568)
Add: Income tax refund	47	243
Add: Interest on income tax refund	4	15
Net cash generated from/(used in) operating activities	(1,956)	(2,337)
B. Cash flow from/(used in) investing activities:		
Term deposits with bank	(56,500)	(6,500)
Interest received	8,949	4,002
Refund of loan from related party	50,000	-
Net cash generated/(used in) investing activities	2,449	(2,498)
C. Cash flow from/(used in) financing activities:		
Finance cost*	(0)	(0)
Net cash from/(used in) financing activities	(0)	(0)
Net increase/(decrease) in cash and cash equivalents	493	(4,834)
Net cash and cash equivalents at the beginning of the year	536	5,370
Cash and cash equivalents as at current year closing	1,030	536
Balance with banks	1,030	536
TOTAL	1,030	536

*Amount shown here is below the rounding off norm adopted by the company

Notes:

i) The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7, "Statement of Cash Flow".

ii) Figures in brackets indicate Cash Outflow.

iii) The above cash flow statement should be read in conjunction with the accompanying notes.

For and on behalf of the Board of Directors

As per our report attached
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

Sanjeev Mathur
Director
DIN 01092028

Rajat Jain
Director
DIN 00658228

Vipin Bali
Partner
M.No. 083436



Place: New Delhi
Date: May 9, 2022

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

1. Corporate Information

SAKS Ancillaries Ltd. is a company incorporated under the provisions of the Company Act, 1956 to engage in the business of manufacturing Automotive Wiring Harness and related activities. Up to 21st March 2018, it was a subsidiary of Samvardhana Motherson International Limited (SAMIL). It became a subsidiary of Samvardhana Motherson Innovative Solutions Limited (SMISL) upon the transfer of Samvardhana Motherson International Limited (SAMIL) shareholding of 14,52,690 equity shares. Thereafter, Samvardhana Motherson International Limited (SAMIL) became the Ultimate Holding Company.

Up to 20th January 2022, Samvardhana Motherson International Limited (SAMIL) through its subsidiary Samvardhana Motherson Innovative Solutions Limited (SMISL) held 14,52,690 (including 500 equity shares of nominees) equity shares of the company aggregating to 58.12 % shareholding the company. The appointed and effective date of the merger was 21st January 2022. Accordingly, Samvardhana Motherson Innovative Solutions Limited (SMISL) became the subsidiary of Motherson Sumi Systems Limited (MSSL) on 21st January 2022. Thereafter, Motherson Sumi Systems Limited (MSSL) becomes the Ultimate Holding Company. Also, nominees holding 500 equity shares become the nominees of Motherson Sumi Systems Limited (MSSL) w.e.f. the said date.

2. Summary of significant accounting policies

A. Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

The financial statements are presented in INR and all values are rounded to the nearest thousands, except when otherwise stated.

(ii) Historical Cost Convention

These financial statements have been prepared on a historical cost basis, except, if required, for certain items that are measured at fair value at the end of each reporting period, in accordance with Ind AS.

(iii) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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.

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

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.

The Company classifies all other liabilities as non-current.

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

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

B. Property, Plant and Equipment

Property, plant and equipment have been stated at cost less accumulated depreciation. Cost is inclusive of freight, taxes and other directly attributable costs of bringing the asset to the working condition for intended use.

In accordance with Ind AS 16 "Property, Plant and Equipment", the Company charges assets costing less than Rs. 5,000 which could otherwise have been included as Property, plant and equipment, because the amount is not material in accordance with Ind AS 16 "Property, Plant and Equipment".

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets is provided from the month the asset is ready for commercial production on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, as determined by the management or at the useful life prescribed under Schedule II of the Companies Act, 2013, whichever is lower as follows:

Assets	Useful life
Plant & Machinery, Factory Equipments	7.5 years
Plant & Machinery (Rack, Stand & Trolley)	1 year
Computers	3 years
Vehicles	4 years
Furniture and Fixtures	6 years
Office Equipments	5 years
Factory Building	30 years

C. Intangible assets

Intangible assets are stated as acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds

SAKS ANCILLARIES LIMITED

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The useful life adopted is

Assets	Useful life
Software	3 years

D. Inventory Valuation

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realizable value.

Cost of raw material and traded goods comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

E. Revenue Recognition

Effective April 1, 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue.

This Ind AS introduces a new five-step approach to measuring and recognizing revenue from contracts with customers. Under Ind AS 115, revenue recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to customer.

F. Retirement and other benefits of employees

The Company makes regular contribution to the state administered Provident fund and ESI which is charged to revenue. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. In respect of gratuity, the company funds the benefit through annual contributions to Life Insurance Corporation of India (LIC) under its group gratuity scheme. Actuarial gains and losses are recognised immediately in the other comprehensive income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

G. Taxation

Current Tax

Current Tax is provided on the basis of tax payable on estimated taxable income computed in accordance with the applicable provisions of Income Tax Act, 1961 after considering the benefits available under the said Act.

Deferred Taxes

In accordance with Ind AS 12- "Income Taxes", the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

H. Foreign exchange transactions

Transactions involving foreign currencies are recorded at the exchange rate prevailing on the transaction date. As at the reporting 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. Foreign currency monetary items are translated at the exchange rate prevailing at the balance sheet date and the gain/loss arising on such translation is charged to the profit and loss account. Premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of contract.

I. Borrowing cost

The borrowing costs on funds other than those directly attributable to the acquisition of a qualifying asset i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use, is charged to revenue in the period in which they are incurred.

The borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset.

J. Earnings per equity share (EPS)

The earnings considered in ascertaining the company's EPS comprises the net profit after tax (and includes the post tax effect of any extra ordinary items) attributable to equity shareholders. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting the effect of potential dilutive equity shares.

SAKS ANCILLARIES LIMITED

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

K. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

L. Provisions and contingent liabilities

A provision is recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

M. Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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 and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade and other receivables.

Debt instruments included within the fair value through profit and loss (FVPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or FVPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

SAKS ANCILLARIES LIMITED

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

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, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and 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 loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

SAKS ANCILLARIES LIMITED

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest bearing loans and borrowings.

De-recognition

A financial liability is derecognized 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 derecognition 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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

N. Leases- Ind AS 116

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building: 5 years
- Machineries: 1 to 6 years
- Motor vehicles: 1 to 6 years

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

SAKS ANCILLARIES LIMITED

CIN: U74899MH1985PLC285656

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

iii) Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that is considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

For and on behalf of the Board of Directors

As per our report attached
For R K Khanna & Co.
Chartered Accountants
F.R.N. 000033N



Sanjeev Mathur
Director
DIN 01092028



Rajat Jain
Director
DIN 00658228



Vipin Bali
Partner
M.No.083436

Place: New Delhi

Date: May 9, 2022



SAKS ANCILLARIES LIMITED

CIN : U74899MH1985PLC285656

Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR thousand, unless otherwise stated)

3. Property, plant and equipment

	Free hold land	Building	Total
Year ended March 31, 2021			
Gross carrying amount			
As at April 01, 2020	1,289	1,705	2,994
Additions	-	-	-
Disposals	-	-	-
Closing gross carrying amount	1,289	1,705	2,994
Accumulated depreciation			
As at April 01, 2020	-	539	539
Depreciation charge during the year	-	135	135
Disposals	-	-	-
Closing accumulated depreciation	-	674	674
Net carrying amount	1,289	1,031	2,319

Year ended March 31, 2022			
Gross carrying amount			
As at April 01, 2021	1,289	1,705	2,994
Additions	-	-	-
Disposals	-	-	-
Closing gross carrying amount	1,289	1,705	2,994
Accumulated depreciation			
As at April 01, 2021	-	674	674
Depreciation charge during the year	-	135	135
Disposals	-	-	-
Closing accumulated depreciation	-	809	809
Net carrying amount	1,289	896	2,185

4 : Other financial assets

Particulars	March 31, 2022	March 31, 2021
Long term deposits with bank with maturity period more than 12 months (held by bank as margin money for bank guarantee)		70
Security deposit	118	118
Total	118	188

5a: Cash and cash equivalents

Particulars	March 31, 2022	March 31, 2021
Balance with banks in current account	1,030	536
Total	1,030	536

5b: Bank balances other than (5a) above

Particulars	March 31, 2022	March 31, 2021
Deposits with original maturity of more than 3 months but less than 12 months	1,09,500	53,000
Total	1,09,500	53,000

6: Loans

Particulars	March 31, 2022	March 31, 2021
Loan to a related party		50,000
Total	-	50,000

7 : Other financial assets

Particulars	March 31, 2022	March 31, 2021
Interest accrued on fixed deposits	4,408	3,197
Interest accrued on Loan to a related party		4,163
Total	4,408	7,360

8 : Current tax assets (net)

Particulars	March 31, 2022	March 31, 2021
Opening balance	598	601
Less: Current tax payable for the year	(1,328)	(1,350)
Add: Advance tax paid	1,350	1,568
Less: Refund received	(47)	(243)
Add: Adjustments for tax of prior periods		23
Closing balance	572	598

Tax disclosures for the year ended March 31, 2022 under Ind AS-12

A) Income tax recognized in the statement of profit and loss :

Particulars	March 31, 2022	March 31, 2021
Tax		
In respect of current year	1,328	1,350
In respect of earlier years		(23)
Total	1,328	1,327

B) Reconciliation of tax expense with effective tax

Particulars	March 31, 2022	March 31, 2021
Profit before tax as per statement of profit and loss	5,128	5,170
Applicable Tax Rate	25.168%	25.168%
Income tax calculated at applicable tax rate	1,291	1,301
Adjustments:		
Tax effect due to Depreciation as per books that are not deductible for tax purposes	34	34
Tax effect due to Repair Building that are not deductible for tax purposes		5
Tax effect due to Insurance that are not deductible for tax purposes	4	4
Other adjustment due to excess provision		6
Total	1,328	1,350
Income tax recognised in the statement of profit and loss		
Current tax	1,328	1,350
In respect of earlier years		(23)
Total	1,328	1,327

9 : Other current assets

Particulars	March 31, 2022	March 31, 2021
(Unsecured, considered good)		
Balances with government authorities	293	242
Total	293	242

10 : Equity share capital

Particulars	Equity shares	
	No of shares	Amount
Authorized share capital		
As at 01 April 2020	30,00,000	30,000
Increase/(Decrease) during the year	-	-
As at 31 March 2021	30,00,000	30,000
Increase/(Decrease) during the year	-	-
As at 31 March 2022	30,00,000	30,000

Particulars	Equity shares	
	No of shares	Amount
Issued share capital		
As at 01 April 2020	24,99,650	24,997
Increase/(Decrease) during the year	-	-
As at 31 March 2021	24,99,650	24,997
Increase/(Decrease) during the year	-	-
As at 31 March 2022	24,99,650	24,997

Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	March 31, 2022	March 31, 2021
Name of the Company		
i) Number of shares		
Motherson Sumi Systems Ltd.	10,05,084	10,05,084
Samvardhana Motherson Innovative Solutions Limited*	14,52,690	14,52,690
Total	24,57,774	24,57,774
ii) Percentage		
Motherson Sumi Systems Ltd.	40.21%	40.21%
Samvardhana Motherson Innovative Solutions Limited*	58.11%	58.11%
Total	98.32%	98.32%

*including 500 shares held by nominees

Details of Promoters Shareholding

Shares held by promoters as on 31.03.2022				% change during the year
Sr. No.	Promoter Name	No. of shares	% of total shares	
1	Motherson Sumi Systems Ltd.	10,05,084	40.21%	-
2	Samvardhana Motherson Innovative Solutions Limited*	14,52,690	58.12%	-
Total		24,57,774	98.32%	

*including 500 shares held by nominees

Shares held by promoters as on 31.03.2021				% change during the year
Sr. No.	Promoter Name	No. of shares	% of total shares	
1	Motherson Sumi Systems Ltd.	10,05,084	40.21%	-
2	Samvardhana Motherson Innovative Solutions Limited*	14,52,690	58.12%	-
Total		24,57,774	98.32%	

*including 500 shares held by nominees

11 : Other equity

Particulars	March 31, 2022	March 31, 2021
Reserves and surplus		
Share premium	200	200
General reserve	195	195
Retained earnings	92,556	88,756
Total	92,951	89,151

	March 31, 2022	March 31, 2021
Retained earnings		
Opening balance	88,756	84,913
Add/(less): Net profit/(loss) for the period	3,800	3,843
Closing balance	92,556	88,756

12 : Other current liabilities

Particulars	March 31, 2022	March 31, 2021
Expenses payable	151	87
Statutory dues payable	7	8
Total	158	95

13 : Revenue from operations

Particulars	March 31, 2022	March 31, 2021
Revenue from operations	-	-

14 : Other income

Particulars	March 31, 2022	March 31, 2021
Interest income		
- From Loan given	4,451	4,500
- From Bank Deposits	1,547	1,544
- From Income tax refund	4	15
Total	6,001	6,059

15 : Finance Cost

Particulars	March 31, 2022	March 31, 2021
Interest on statutory dues*	0	0
Total	0	0

*Amount shown here is below the rounding off norm adopted by the company

16 : Other expenses

Particulars	March 31, 2022	March 31, 2021
Repairs and maintenance		
- Building	-	21
Rates & taxes	42	33
Insurance	16	14
Legal and professional expenses	30	53
Payments to auditors (refer detail below)*	25	35
Communication	-	2
Bank charges	3	2
Security services	623	536
Advertisement	-	58
Total	738	754

***Auditors remuneration**

Particulars	March 31, 2022	March 31, 2021
Audit fee	25	25
Limited review fees	-	10
Total	25	35

17. Earnings per equity share

Particulars	March 31, 2022	March 31, 2021
Net Profit/(Loss) after Tax	3,800	3,843
Weighted average number of equity shares for EPS per share of INR 10 each.	24,99,650	24,99,650
Basic Earnings Per Share	1.52	1.54

Note: The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains the same.

18. Financial Instruments disclosures for the year ended March 31, 2022 under Ind AS 109

1) Financial Assets & Liabilities

Particulars	March 31, 2022				March 31, 2021			
	FVPL	FVOCI	Amortised cost	Total	FVPL	FVOCI	Amortised cost	Total
Non current Assets								
Financial assets:								
Other financial assets*	-	-	118	118	-	-	188	188
Total Non-current financial assets			118	118			188	188
Current Assets								
Financial assets:								
Cash and Cash Equivalents*	-	-	1,030	1,030	-	-	536	536
Bank balances other than (5a) above*	-	-	1,09,500	1,09,500	-	-	53,000	53,000
Loans	-	-	-	-	-	-	50,000	50,000
Other current financial assets*	-	-	4,408	4,408	-	-	7,360	7,360
Total Current financial assets			1,14,938	1,14,938			1,10,896	1,10,896

*The carrying amounts of other financial assets, cash and bank balances, other current financials assets and liabilities are considered to be the same as fair value due to their short term maturities.

2). Fair value of non-current financial assets and liabilities measured at amortized cost

Particulars	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	-	-	-	-
Other financial assets	118	118	188	188
Total non-current financial assets	118	118	188	188
Financial liabilities:				
Borrowings	-	-	-	-
Other financial liabilities	-	-	-	-
Total non-current financial liabilities				

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C. Sciences at year one

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28. Polymers with a *trans*-double bond have a rigid structure and cannot be stretched.