

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND YEAR ENDED MARCH 31, 2022**

(in INR million)

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
		(Unaudited) Refer note 4	(Unaudited)	(Unaudited) Refer note 4	(Audited)	(Audited)
	<b>Income</b>					
1	Revenue from operations (refer note 12 and 11)	43,865.37	29,686.34	18,263.64	124,104.82	67,889.70
2	Other income (refer note 8)	(279.87)	7,216.92	3,104.44	14,285.94	19,151.90
3	<b>Total Income (1+2)</b>	<b>43,585.50</b>	<b>36,903.26</b>	<b>21,368.08</b>	<b>138,390.76</b>	<b>87,041.60</b>
4	<b>Expenses</b>					
	Cost of raw materials and components consumed	27,440.61	23,594.99	10,469.43	87,938.84	38,385.70
	Purchase of traded goods	7,805.27	4,154.64	2,728.90	17,388.59	14,824.92
	Changes in inventories of finished goods, work-in-progress and traded goods	23.75	(3,367.85)	1,758.53	(5,167.07)	4,294.53
	Employee benefits expense	1,921.80	1,861.79	1,954.70	7,666.53	7,501.82
	Finance costs	471.21	321.63	293.73	1,305.49	1,338.16
	Depreciation and amortisation expense	2,066.31	2,238.07	882.89	7,132.30	3,972.96
	Other expenses	2,801.20	7,298.24	2,908.08	19,141.59	13,843.47
	<b>Total expenses</b>	<b>42,530.15</b>	<b>36,101.51</b>	<b>20,996.26</b>	<b>135,406.27</b>	<b>84,161.56</b>
5	<b>Profit before exceptional items (3-4)</b>	<b>1,055.35</b>	<b>801.75</b>	<b>371.82</b>	<b>2,984.49</b>	<b>2,880.04</b>
6	Exceptional Items (refer note 11)	791.78	33.75	41.18	900.80	243.77
7	<b>Profit before tax (5+6)</b>	<b>1,847.13</b>	<b>835.50</b>	<b>413.00</b>	<b>3,885.29</b>	<b>3,123.81</b>
8	<b>Tax expenses:</b>					
	Current tax	367.29	53.34	193.85	717.96	727.77
	Deferred tax charge / (credit)	(343.52)	350.22	(5,341.94)	1,083.93	(5,341.94)
9	<b>Profit for the period / year (7-8)</b>	<b>1,823.36</b>	<b>431.94</b>	<b>5,561.09</b>	<b>2,083.40</b>	<b>7,737.98</b>
10	Other Comprehensive Income					
A	Items that will not be reclassified to profit or loss					
	(a) Remeasurement of defined benefit plans	214.26	25.98	315.48	292.20	103.93
	(b) Income tax relating to items that will not be reclassified to profit or loss	(74.87)	(9.08)	(36.32)	(102.11)	(36.32)
B	Items that may be reclassified to profit or loss					
	(a) Deferred gain / (loss) on cash flow hedges	206.33	1,034.25	1,964.42	1,528.70	(1,202.07)
	(b) Income tax relating to items that will be reclassified to profit or loss	(72.10)	(361.41)	420.05	(534.19)	420.05
	<b>Other Comprehensive income / (loss) (A+B)</b>	<b>273.62</b>	<b>689.74</b>	<b>2,663.63</b>	<b>1,184.60</b>	<b>(714.41)</b>
11	<b>Total comprehensive income / (loss) for the period / year (9+10)</b>	<b>2,096.98</b>	<b>1,121.68</b>	<b>8,224.72</b>	<b>3,268.00</b>	<b>7,023.57</b>
12	Paid-up equity share capital (Face value of INR 10 each)	7,240.45	7,240.45	7,240.45	7,240.45	7,240.45
13	Earnings per equity share (not annualised)					
	(a) Basic earnings per share (INR)	2.52	0.60	7.68	2.88	10.69
	(b) Diluted earnings per share (INR)	2.52	0.60	7.68	2.88	10.69
14	Debt Equity Ratio	0.46	0.47	0.31	0.46	0.31
15	Debt Service Coverage Ratio (DSCR) (not annualised)	0.32	0.62	0.26	0.73	1.84
16	Interest Service Coverage Ratio (not annualised)	4.92	3.60	2.41	3.98	3.33
17	Current ratio	0.85	0.85	1.09	0.85	1.09
18	Long term debt* to working capital ratio (Number of times)	(0.98)	(0.98)	3.54	(0.98)	3.54
19	Current liability ratio (Number of times)	0.65	0.64	0.67	0.65	0.67
20	Total debts to total assets ratio (Number of times)	0.16	0.16	0.14	0.16	0.14
21	Debtors turnover ratio (Number of times) (Annualised)	82.24	64.83	37.84	58.17	35.17
22	Inventory turnover ratio (Number of times) (Annualised)	7.28	5.20	4.11	5.17	3.95
23	Operating margin (%)	5.29%	3.84%	3.87%	4.18%	6.57%
24	Net profit margin (%)	4.16%	1.46%	30.45%	1.68%	11.40%

\* Long term debt excludes Current maturities of Long term debt.

**SKODA Auto Volkswagen India Private Limited (Formerly known as Volkswagen India Private Limited)**

Registered office: E-1, MIDC Industrial Area Phase III, Nigoje Mhalunge, Kharabwadi, Chakan, Khed, Pune, Maharashtra, 410501

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**AUDITED STATEMENT OF ASSETS AND LIABILITIES**

(in INR million)

Sr. No	Particulars	As at	
		March 31, 2022	March 31, 2021
		(Audited)	(Audited)
	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	40,469.83	9,942.46
	Capital work-in-progress	2,786.83	19,596.80
	Right of use assets	1,231.95	1,373.45
	Intangible assets	577.96	344.22
	Intangible assets under development	334.83	631.78
	Financial assets		
	Derivative financial instruments	1,933.46	52.89
	Other financial assets	1,287.68	1,249.74
	Deferred tax assets (net)	4,005.44	5,725.67
	Income tax assets (net)	8,703.62	7,732.92
	Government grant	19,414.22	3,538.57
	Other non-current assets	10,181.25	11,162.48
	<b>Total</b>	<b>90,927.07</b>	<b>61,350.98</b>
2	<b>Current assets</b>		
	Inventories	26,396.70	12,384.35
	Financial assets		
	Trade receivables	2,273.20	1,993.81
	Cash and cash equivalents	3,900.79	5,586.93
	Bank balances other than cash and cash equivalents	5,420.20	3,249.45
	Derivative financial instruments	909.35	430.35
	Other financial assets	4,877.80	6,298.18
	Government grant	1,766.32	1,100.21
	Other current assets	6,937.07	8,045.86
	<b>Total</b>	<b>52,481.43</b>	<b>39,089.14</b>
	<b>Total Assets (1+2)</b>	<b>143,408.50</b>	<b>100,440.12</b>
	<b>EQUITY AND LIABILITIES</b>		
3	<b>EQUITY</b>		
	Equity share capital	7,240.45	7,240.45
	Other equity	41,503.32	38,235.32
	<b>Total</b>	<b>48,743.77</b>	<b>45,475.77</b>
4	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	8,997.15	8,146.77
	Lease liabilities	303.49	185.95
	Other financial liabilities	1,642.69	1,215.02
	Provisions	7,877.78	8,416.39
	Other non current liabilities	13,884.93	263.50
	<b>Total</b>	<b>32,706.04</b>	<b>18,227.63</b>
5	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	12,875.47	4,926.50
	Lease liabilities	178.97	834.23
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	169.21	122.02
	Total outstanding dues of creditors other than micro enterprises and small enterprises	33,724.07	21,400.14
	Other financial liabilities	8,258.59	6,212.91
	Provisions	1,697.71	927.72
	Other current liabilities	5,054.67	2,313.20
	<b>Total</b>	<b>61,958.69</b>	<b>36,736.72</b>
	<b>Total Liabilities (4+5)</b>	<b>94,664.73</b>	<b>54,964.35</b>
	<b>Total Equity and Liabilities (3+4+5)</b>	<b>143,408.50</b>	<b>100,440.12</b>

## AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

	(in INR million)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>A) Cash flows from operating activities</b>		
Profit before exceptional item and tax	2,984.49	3,123.81
<b>Adjustments to reconcile profit before tax to net cash flows from operating activities</b>		
Depreciation and amortisation	7,132.30	3,972.97
Unrealised gain on foreign currency transactions and translations	(36.50)	(244.76)
Interest income	(262.90)	(277.99)
Discount on pre-payment of long term borrowings	(1,929.05)	-
Finance costs	1,022.68	1,091.61
Liabilities/ provisions written back to the extent no longer required	(1,944.57)	(596.19)
Provision for doubtful debts	143.77	1.24
Provision for Litigations including customer claims (net)	692.23	67.04
Profit on disposal of property, plant and equipment	(100.76)	(75.49)
Unwinding of discount on provisions	254.83	190.73
Provision for commitments	-	191.58
Provision for onerous contracts	152.81	35.36
Income from Package Scheme of Incentive (PSI) (refer note 1(f) and 11)	(1,071.03)	-
Change in fair value of foreign exchange forward contracts	(830.85)	(2,114.41)
<b>Working capital adjustments</b>		
(Increase) in Trade receivables	(418.21)	(112.85)
(Increase) / Decrease in Inventories	(14,012.35)	4,358.81
(Increase) / Decrease in Other financial assets	2,272.52	(203.35)
(Increase) / Decrease in Other assets	(1,077.39)	1,702.30
(Increase) in Government grant (net of deferred revenue) (refer note 1(f) and 11)	(900.80)	(243.77)
Increase in Trade payables	12,402.67	2,282.36
Increase in Other current liabilities	1,703.75	293.60
Increase in Other current financial liabilities	1,063.72	1,284.56
Increase in Provisions	1,388.27	658.56
<b>Cash generated from operations</b>	<b>8,629.63</b>	<b>15,385.72</b>
Income taxes paid (net of refunds received)	(1,688.66)	(628.69)
<b>Net cash generated from operating activities</b>	<b>6,940.97</b>	<b>14,757.03</b>
<b>B) Cash flows from investing activities</b>		
Payments for property, plant and equipment	(16,070.88)	(15,668.45)
Receipts of government grants	89.22	89.21
Proceeds from sale of property, plant and equipment	257.65	202.86
Changes in balance of term deposits (net)	(2,170.75)	3,921.00
Interest received	223.70	527.75
<b>Net cash used in investing activities</b>	<b>(17,671.06)</b>	<b>(10,927.63)</b>
<b>C) Cash flows from financing activities</b>		
Proceeds of short term borrowings (net)	7,896.24	2,564.49
Proceeds from long term borrowings	3,000.00	-
Repayment of long term borrowings	(750.65)	-
Intercompany deposits received (net)	39.77	207.85
Finance lease payments	(750.82)	(938.13)
Interest paid	(403.55)	(461.54)
<b>Net cash generated from financing activities</b>	<b>9,030.99</b>	<b>1,372.67</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,699.10)</b>	<b>5,202.08</b>
Cash and cash equivalents at the beginning of the year	5,586.20	384.12
<b>Cash and cash equivalents at the end of the year</b>	<b>3,887.10</b>	<b>5,586.20</b>
Reconciliation of cash and cash equivalents as per the Statement of cash flows:		
	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	3,900.79	5,586.93
Bank overdraft	(13.69)	(0.73)
<b>Balance as per statement of cash flows</b>	<b>3,887.10</b>	<b>5,586.20</b>

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**Notes:**

- 1 SKODA Auto Volkswagen India Private Limited (the "Company") is in the business of manufacturing passenger automotive cars, trading of imported cars (purchased from group companies) and spares & accessories. The Company has commenced its operations in India in February 2007.  
  
On September 5, 2019, the Assistant Registrar of National Company Law Tribunal (NCLT), Mumbai Bench duly authenticated a scheme of Amalgamation (the 'Scheme') under Sections 230 to 232 of the Companies Act, 2013, which is effective from appointed date of April 01, 2019. Accordingly, Volkswagen Group Sales India Private Limited (VWGS IPL) and Skoda Auto India Private Limited (SAIPL) have been amalgamated with Volkswagen India Private Limited (VWIPL) and the name of the merged Company has been changed to "SKODA Auto Volkswagen India Private Limited". This was a strategic decision taken by the Board whereby the Board expects to benefit from operational and economic efficiencies.
- 2 The borrowings as at March 31, 2022 include INR 6,937.17 million (INR 4,440.93 million for the year ended March 31, 2021) by issue of Commercial papers. Of these, commercial papers aggregating INR 5,000.00 million have been listed on BSE as per SEBI Circular SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019. The Company has been legally advised that Commercial papers are not covered under the definition of "Securities" as per Companies Act, 2013. Further, considering the amendments in the definition of Listed Company as per Section 2(52) and consequent clarifications provided under Companies (Specification of definitions details) Rules, 2014, via Rule 2A: "Companies not to be considered as listed companies", Private companies which have not listed their equity shares on recognised stock exchange and have only listed issued certain debt instruments (securities) are not to be considered as Listed Companies. Accordingly, the Company will not be considered as a listed company in accordance with the provisions of the Companies Act, 2013.
- 3 These financial results have been reviewed and approved by the Board of Directors at its meeting held on May 30, 2022. The results for the year ended March 31, 2022 have been audited by the Statutory Auditors of the Company.
- 4 a) The financial results for the quarter ended March 31, 2022 are balancing figures between the audited figures in respect of the full financial year and the published unaudited figures for the nine months ended 31 December 2021, which were subjected to limited review by statutory auditors.  
  
b) The figures for the corresponding quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited figures up to nine months ended 31 December 2020, which have been approved by the Company's Board of Directors but have not been subjected to audit or review.
- 5 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.
- 6 These financial results have been prepared in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 7 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker as defined in IND AS 108 – Operating Segments. The board of directors have been identified as the chief operating decision maker. The Company operates in a single business segment i.e., Automobile cars and parts, which has similar risks and returns. The Company is domiciled in India. The amount of its revenues from external customers broken down by location of customers is shown in the table below:

**(in INR million)**

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Unaudited) Refer note 4	(Unaudited)	(Unaudited) Refer note 4	(Audited)	(Audited)
Within India	32,377.63	25,839.10	23,859.40	89,224.53	42,288.15
Outside India	11,487.74	3,847.24	5,826.94	34,880.29	25,601.55
<b>Total</b>	<b>43,865.37</b>	<b>29,686.34</b>	<b>29,686.34</b>	<b>124,104.82</b>	<b>67,889.70</b>

- 8 Other income includes discount of INR 1,929.05 million on pre-payment of deferred sales tax under the PSI Scheme (1993) of Government of India.
- 9 Contingent liability includes INR 2,299.30 million (net of provision made of INR 554.90 million) towards litigation in relation to customs duty on import of Technical Know-how during the period 2001-2006 under Technology Transfer and Trademark License Agreement dated October 1, 2001 together with interest and penalty thereon. The Company had filed an appeal before Customs, Excise & Service Tax Appellate Tribunal ("CESTAT") against the order of Commissioner (Imports) dated March 4, 2009. CESTAT had pronounced the order in June 2013 confirming the said duty demand raised in Order-in-Original No. 47/09 ("OIO") of Commissioner (Imports), penalty equivalent to the duty demand and appropriate interest on duty under Section 28AB of the Customs Act, 1962. The Company has filed an appeal with the Hon'ble Supreme Court of India against the aforesaid CESTAT order which has been admitted by the Hon'ble Supreme Court of India on August 16, 2013. The Hon'ble Supreme Court of India vide its order dated December 2, 2013 granted an ad-interim stay requested by the Company on a condition that INR 750.00 million be paid by the Company within three months and a bank guarantee be furnished for the balance amount within three months. The Company has made a total payment of INR 1,785.00 million over the years and furnished the required bank guarantee for balance amount. Matter is pending to be heard in Hon'ble Supreme Court of India.
- 10 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the company and, based on current estimates, the Company expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial statements.

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- 11 **Shendra Plant** - The Company has changed its accounting policy wherein the government grants having primary condition of capital investments, amongst other revenue based conditions, has been considered as Capital grant. Based on the EAC opinion published by the Institute of Chartered Accountants of India on similar matter, this grant was considered as revenue grant in reporting for earlier periods. However, based on widely accepted industry practices and further consultations with accounting experts, Company believes that this change in policy would provide more reliable and relevant information in the financial statements.

Comparative periods have been restated only for retrospective application of the capital approach for Shendra plant. Impact of this change in accounting policy has been presented in Statement of profit and loss as exceptional item. Retrospective application of the capital grant accounting has had the following effects on the amounts presented for financial year 2020-21 and 2021-22.

<b>Balance sheet</b>		<b>INR Million</b>		
<b>Particulars</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>April 01, 2020</b>	
Grant receivable under revenue approach	264.41	429.18	442.85	
Grant receivable under capital approach	264.41	545.30	634.53	
Net impact	-	(116.12)	(191.68)	
Deferred Income under revenue approach	-	-	-	
Deferred Income under capital approach	-	1,092.48	1,336.24	
Net impact	-	(1,092.48)	(1,336.24)	
Impact on retained earnings under revenue approach	(75.53)	75.54	1,259.65	
Impact on retained earnings under capital approach	900.80	243.77	115.09	
Net impact	(976.33)	(168.23)	1,144.56	

<b>Statement of Profit and Loss</b>	<b>Quarter ended</b>			<b>Year ended</b>	
	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
PSI income as per revenue approach	(75.53)	45.68	25.73	(75.53)	75.54
PSI income as per capital approach	791.78	33.75	41.18	900.80	243.77
Net impact	(867.31)	11.93	(15.45)	(976.33)	(168.23)

- 12 **Chakan Plant** - During the year, the Company was successful in securing Eligibility Certificate for its Ultra Mega Project under Package Scheme of Incentive, 2013 (PSI). The eligibility certificate has been provided to the extent of Investment value of INR 46,833 Million. The eligibility certificate is inclusive of INR 28,617 million from erstwhile eligibility certificate issued in September 2010. During December 2021 quarter, the Management has accounted for the above event in accordance with the 'Income approach' which is consistent with the view expressed by Expert Advisory Committee of the Institute of Chartered Accountants of India.

During the quarter ended March 31, 2022, based on widely accepted industry practices and further consultations with accounting experts, the Company has changed its accounting policy wherein the government grants having primary condition of capital investments, amongst other revenue based conditions has been considered as Capital grant. Accordingly, the amount of grant benefit would be recognized over the useful life of fixed assets procured / constructed out of the aforesaid grant. The Company has recorded INR 16,823 million as grant receivables in current year with corresponding 'deferred government grant income' of INR 15,752 million and INR 1,071 million as grant income in Statement of Profit and Loss. Due to the change in accounting policy, revenue from operations and profit before tax has been increased by INR 442 million for the quarter ended December 31, 2021.

- 13 Additional disclosures required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a. **Credit rating:**

<b>Particulars</b>	<b>Rating agency</b>	<b>Rating</b>
Commercial Papers	India Rating	A1+
Commercial Papers	ICRA Limited	A1+

b. The next due date for the payment of interest and redemption of commercial papers:

<b>ISIN</b>	<b>Type</b>	<b>Amount (in INR million)</b>	<b>Due date of payment</b>
'INE04TA14196	Principal	3,000.00	25-Apr-22
'INE04TA14196	Interest	51.24	25-Apr-22
'INE04TA14212	Principal	2,000.00	19-Jul-22
'INE04TA14212	Interest	41.72	19-Jul-22
'INE04TA14220	Principal	2,000.00	19-Jul-22
'INE04TA14220	Interest	43.65	19-Jul-22

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c. **The outstanding redeemable preference shares:**

The preference shares outstanding as on March 31, 2022 and March 31, 2021 are INR 9,717.25 million (971,724,552 shares of INR 10 each)

d. **Capital redemption reserve:**

Capital redemption reserve as on March 31, 2022 and March 31, 2021 is INR 1,858.04 million

e. **Net worth:**

Particulars	March 31, 2022	March 31, 2021
Net worth (in INR million)	48,743.77	45,475.77

f. **Earnings per share**

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
Earnings basic and diluted per share (in INR)	2.52	0.60	7.68	2.88	10.69

**For and on behalf of the Board of Directors of  
SKODA Auto Volkswagen India Private Limited (Formerly known as Volkswagen India Private Limited)**

**Place:** Pune  
**Date :** May 30, 2022

Piyush Arora  
Managing Director  
  
DIN: 06991008

Martin Mahlke  
Executive Director – Finance and  
Chief Financial Officer  
DIN: - 08420220