

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Kosei Minda Aluminum Company Private Limited.**

### **Opinion**

We have audited the accompanying Ind AS Financial Statements of Kosei Minda Aluminum Company Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Ind AS Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter 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 accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2023, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Emphasis of Matters**

We would like to draw attention to the fact that the company has filed the scheme of amalgamation with NCLT under section 230-232 of the Companies Act, 2013. This scheme provides for amalgamation of Kosei Minda Aluminum Company Private Limited with UNO Minda Limited from the appointed date (1st April 2023) or the date as may be mutually agreed by the Boards or such other date as may be fixed by the NCLT.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. This matter was addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has 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 the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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 the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable

1. 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 purposes of our audit
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 47 to the Ind AS financial statements.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses on.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- d. The Company's management has represented that, to the best of its knowledge and belief, other than disclosed in the notes to accounts,
  - i. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, 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 or provide any guarantee, security or the like on behalf of the Company.
  - ii. No funds have been received by the Company from any persons or entities including foreign entities ("Funding Parties"). with the understanding, 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 or provide any guarantee, security or the like on behalf of the Funding Party.
  - iii. Based on audit procedure and the information and explanation given to us, no discrepancies have been noticed that caused us to believe that representations contain any material misstatement.
- e. There was no dividend declared nor paid during the year by the Company.
- f. The Company has been using accounting software for maintaining its books of accounts which has the feature of audit trail and the same has been operated throughout the year for all transactions and the audit trail software has not been tampered and has been preserved by the company as per statutory requirements for record retention.

**For VRKSJP & CO**  
**Chartered Accountants**  
**Firm Regn No: 315005E**



**Raamanathan K**  
**(Partner)**  
**Membership Number: 238090**



**Place : Chennai**  
**Date : 08-May-2023**  
**UDIN : 23238090BGUGMW8064**

## **Kosei Minda Aluminum Company Private Limited – As on 31st March 2023**

### **Annexure Referred to in paragraph 3 of our report of even date**

The Annexure-A referred to in our Report of even date to the Members of **Kosei Minda Aluminum Company Private Limited** ('the Company') on the financial statements for the year ended March 31, 2023. We report that:

#### **1. Fixed Assets:**

- a) The Company has maintained proper records showing full particulars including the quantitative details and situation of Property, Plant and Equipment and has also maintained proper records showing full particulars of intangible assets.
- b) As per the information and explanation given to us, the Company has physically verified its assets during the previous year, 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 verifications.
- c) The title deeds of immovable properties are held in the name of the Company.
- d) The Company has revalued its Property, Plant and Equipment during the previous year. The movable assets have been revalued on 1st January 2023 by registered valuer Mr.Devendar Kumar Malhotra (Registration No – IBBI/RV/05/2018/10424).

<b>Class of Assets</b>	<b>Amount of change &gt; 10% of net carrying value (In INR)</b>
Plant and machinery	(54,09,56,670)
Office Equipments	(38,60,620)
Furniture and fixtures	(29,65,970)
<b>Total</b>	<b>(54,77,83,260)</b>

- e) As per the information and explanation provided to us and on the basis of examination of other documents, no proceedings have been initiated or are pending against the company for holding benami property under the Benami Transaction (Prohibition) Act 1988 and rules made thereunder.

#### **2. Inventory:**

- a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
  - b) On the basis of documents examined by us, during the previous year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial Institutions.
3. The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in register maintained under Section 189 of Companies Act 2013 which is outstanding during the year.

4. No Loans, investments, guarantees, and securities referred in Section 185 and 186 of the Companies Act, 2013 have been given by the Company which is outstanding during the year.
5. The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under.
6. As explained to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income Tax, Provident Fund and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee State Insurance Fund, Goods and Service Tax, Service Tax, Value Added Tax, Income Tax and any other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no disputed dues of Goods and Service Tax as at March 31, 2023 and following Income tax assessment and VAT assessment is pending.

Financial Year	Statue	Disputed Amount	Pending
2012-13	Income tax	189,029,841	CIT (Appeals)
2013-14	Income tax	160,000,000	CIT (Appeals)
2014-15	VAT	14,080,506	High Court

8. According to the information given to us and on the basis of our examination of records of the Company, all transactions which have been surrendered or disclosed as income during the previous year in the tax assessments under the Income Tax Act, 1961 (U/s 43 of 1961), have already been recorded in the books of accounts of the company.
9. Based on our audit procedures and as per the information and explanations provided by the management, we are of the opinion
  - a) That the Company has not defaulted in repayment of dues to any financial institutions, banks or other lenders.
  - b) That the Company has not been declared as a willful defaulter by any bank or financial institutions other lenders.
  - c) That no term loans were raised during the previous year.
  - d) That the fund raised on short term basis have not been utilized for long term purposes.

- e) That the Company doesn't have any subsidiaries, associates or joint ventures, thus this clause regarding reporting of funds taken by the Company to meet obligations of its subsidiaries, associates or joint ventures is not applicable.
- f) That the Company doesn't have any subsidiaries, associates or joint ventures, thus this clause regarding reporting of loans raised by the Company pledging securities held in its subsidiaries, associate or joint venture is not applicable.

10. According to the information and explanations given to us,

- a) The Company has not raised any money by way of Public issues and Term Loan during the year.
- b) The Company has not made any preferential allotments or private placement of shares or convertible debentures during the previous year.

11. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud by the Company or on the Company by its officers or employees or any whistle-blower complaints, noticed or reported during the year, nor have we been informed of any such case by the Management.

12. The entity is not a Nidhi Company. Therefore, the provisions of clause (xii) of Para 3 of the Companies (Auditor's Report) Order are not applicable to the Company.

13. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind-AS financial statements as required under Indian Accounting Standard (AS) 24, Related Party Disclosures specified under Section 133 of the Act.

14. The Company has an Internal Audit system commensurate with the size and nature of its business, and the Reports of the Internal Auditors for the period were considered by us during the audit.

15. Based on the test-check performed, we are of the opinion that the Company has not entered into any non-cash transaction with the directors or persons connected with him as contemplated under section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

17. The Company has incurred a cash loss of INR 54 crores during the previous year and has incurred a cash loss of INR 6 crores during the preceding previous year.

18. There has not been any resignation by the Statutory auditors during the previous year.

19. Based on the financial ratios, ageing and expected dates of realization of financial assets and

payment of financial liabilities, other information accompanying the financial statements, the Board of Directors' and Management's plans, information and explanation given to us, we are of the opinion that no material uncertainty exists as on the date of audit report and that the Company is capable of meeting its liabilities existing at the date of Balance sheet as and when they fall due within a period of one year from the Balance sheet date.

20. The Company is not required to comply with CSR provision, Therefore, the provisions of clause (xx) of Para 3 of the Companies (Auditor's Report) Order are not applicable to the Company.
21. The Company is not required to prepare Consolidated financial statements under sub-section (3) of Section 129, Therefore, the provision of clause (xxi) of Para 3 of the Companies (Auditor's Report) Order are not applicable to the Company.

**For VRKSJP & CO**  
**Chartered Accountants**  
**Firm Regn No: 315005E**



**Raamanathan K**  
**(Partner)**  
**Membership Number: 238090**



**Place : Chennai**  
**Date : 08-May-2023**  
**UDIN : 23238090BGUGMW8064**



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

### **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 Kosei Minda Aluminum Company Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KOSEI MINDA ALUMINUM COMPANY PRIVATE LIMITED**

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

The Company's management is responsible for establishing and maintaining internal financial control 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls 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 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

(a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 VRKSJP & CO**  
**Chartered Accountants**  
**Firm Regn No: 315005E**



**Raamanathan K**  
**(Partner)**  
**Membership Number: 238090**



**Place : Chennai**  
**Date : 08-May-2023**  
**UDIN : 23238090BGUGMW8064**

**Kosei Minda Aluminum Company Private Limited**
**Balance Sheet as at March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

	Notes	31-Mar-23	31-Mar-22
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	3	666.66	1,213.05
Capital work in progress	5	0	38.20
Intangible assets	4	2.55	3.61
Financial assets			
Investments	6	1.33	0.06
Other financial assets	7	14.09	5.19
Other non-current assets	8	-	-
		<b>684.64</b>	<b>1,260.11</b>
<b>Current Assets</b>			
Inventories	9	198.96	201.42
Financial assets			
Trade receivables	10	235.10	406.03
Cash & cash equivalents	11	8.71	28.58
Others	12	0.69	1.83
Current tax assets	13	3.66	2.03
Other current assets (net)	14	25.31	68.77
		<b>472.42</b>	<b>708.66</b>
<b>Total Assets</b>		<b>1,157.06</b>	<b>1,968.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	1,569.91	1,569.91
Other equity	16	-	-
Retained earnings		(1,791.65)	(1,031.56)
<b>Total Equity</b>		<b>(221.73)</b>	<b>538.35</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
Borrowings	17	-	-
Government grant	18	-	0.00
Long term provisions	23	19.03	11.36
Deferred tax liabilities (net)	19	-	-
Other non-current liabilities	24	-	-
		<b>19.03</b>	<b>11.36</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	17	577.00	640.27
Trade payables	20	-	-
Total outstanding dues of micro enterprises and small enterprises		474.97	718.52
Total outstanding dues of creditors other than micro enterprises and small enterprises		4.95	11.30
Other Financial liabilities	21	(0.00)	1.42
Government grant	18	-	-
Current tax liabilities	22	1.32	1.07
Provisions	23	301.53	46.48
Other current liabilities	24	-	-
		<b>1,359.76</b>	<b>1,419.06</b>
<b>Total Equity and Liabilities</b>		<b>1,157.06</b>	<b>1,968.77</b>

**Summary of significant accounting policies**
**2.2**

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

**For VRKSJP & Co.**  
Chartered Accountants  
Firm registration no.: 315005E

**Raamanathan K**  
Partner  
Membership No.: 238090



For and on behalf of the Board of Directors  
**Kosei Minda Aluminum Company Private Limited**

**Kundankumar Jha**  
Managing Director  
DIN No. 07137705

**Vijay Pratap Singh**  
Director  
DIN No. 08268956

**Pawan Agrawal**  
Chief Financial Officer

Place: Chennai  
Date: 8th May 2023  
UDIN : 23238090BGUGMW8064

Date : 8th May 2023  
Place : Gurgaon

**Kosei Minda Aluminum Company Private Limited**

**Cash flow statement for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

Particulars	March 31,2023	March 31,2022
<b><u>A. CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit/(loss) before tax	(760.08)	(167.93)
Adjustments for :		
Depreciation/ amortization	107.97	108.01
(Profit) / Loss on sale of fixed assets	-	0.51
Interest Accrued on FD	(0.04)	0.06
Interest expenses	45.41	38.47
Amortisation of deferred income - EPCG	(1.42)	(2.48)
Other reconciliation items	547.79	-
<b>Operating Profit before working capital changes</b>	<b>(60.38)</b>	<b>(23.36)</b>
<b>Adjustments for Movements in working capital :</b>		
Increase/(decrease) in trade payables	(243.55)	236.39
Increase / (decrease) in long-term provisions	7.67	1.18
Increase / (decrease) in short-term provisions	0.25	0.14
Increase/(decrease) in other current liabilities	185.43	(177.40)
Decrease/(increase) in trade receivables	170.93	(196.28)
Decrease/(increase) in inventories	2.46	(28.34)
Decrease / (increase) in long-term loans and advances	(8.90)	0.33
Decrease / (increase) in short-term loans and advances	42.97	(21.36)
<b>Cash generated from operations</b>	<b>96.87</b>	<b>(208.70)</b>
Less: Direct taxes paid	-	-
<b>Net cash from / (used in) operating activities</b>	<b>96.87</b>	<b>(208.70)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets including Capital Work in Progress	(70.10)	(42.68)
Current Year Investments	(1.27)	0.06
Interest received	0.04	(0.06)
Current Year Sale of Investments	-	0.20
<b>Net cash used in investing activities</b>	<b>(71.33)</b>	<b>(42.48)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	612.00
Net Loans repaid/(raised) during the year	-	(295.91)
Interest expenses	(45.41)	(38.47)
<b>Net cash from financing activities</b>	<b>(45.41)</b>	<b>277.62</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(19.87)</b>	<b>26.45</b>
<b>D.Cash and cash equivalents at the beginning of the year</b>	<b>28.58</b>	<b>2.14</b>
<b>E.Cash and cash equivalents at the end of the year</b>	<b>8.71</b>	<b>28.58</b>
<b>Break up of cash and cash equivalents at the end of the period</b>		
a) Cash on hand	0.21	0.24
b) Balances with Banks-In Current Accounts	8.51	28.34
	<b>8.71</b>	<b>28.58</b>

The Notes referred to above form an integral part of this statement  
As per our report of even date

For VRKSJP & Co.  
Chartered Accountants  
Firm registration no.: 315005E

Raamanathan K  
Partner  
Membership No.: 238090



For and on behalf of the Board of Directors of  
Kosei Minda Aluminum Company Private Limited

Kundankumar Jha  
Managing Director  
DIN No. 07137705

Vijai Pratap Singh  
Director  
DIN No. 08268956

Pawan Agrawal  
Chief Financial Officer

Place: Chennai  
Date: 8th May 2023  
UDIN : 23238090BGUGMW8064

Date : 8th May 2023  
Place : Gurgoan

**Kosei Minda Aluminum Company Private Limited**

**Statement of Profit and Loss for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

	Notes	For the year ended 31-Mar-2023	For the year ended 31-Mar-2022
<b>INCOME</b>			
<b>I.</b>			
Revenue from Operations (Gross)	25	2,166.87	1,565.38
Other Income	26	362.33	25.96
<b>Total Income</b>		<b>2,529.21</b>	<b>1,591.34</b>
<b>II. EXPENSES</b>			
Cost of raw materials and Paint material consumed	27	1,422.82	1,006.30
Purchase of traded goods	28	1.68	-
Changes in Inventories of Finished Goods and Work-in-Progress	29	30.21	2.21
Employee Benefits Expense	30	194.84	148.57
Finance Costs	31	47.86	39.28
Depreciation and Amortisation expense	32	107.97	108.01
Other Expenses	33	1,488.28	456.28
<b>Total Expenses</b>		<b>3,293.66</b>	<b>1,760.66</b>
<b>Profit Before Extrordinary and Prior period Items</b>		<b>(764.45)</b>	<b>(169.32)</b>
Prior Period items		-	-
<b>Profit Before Tax</b>		<b>(764.45)</b>	<b>(169.32)</b>
<b>Tax Expense</b>	36		
Current tax		-	-
Deferred tax credit		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>(764.45)</b>	<b>(169.32)</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>	34		
<b>(I) Items not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement (loss)/gains on employee defined benefit plans		4.37	1.39
Income tax effect		-	-
<b>Net items not to be reclassified to profit or loss in subsequent periods</b>		<b>4.37</b>	<b>1.39</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>4.37</b>	<b>1.39</b>
<b>Total comprehensive income for the year</b>		<b>(760.08)</b>	<b>(167.93)</b>
Earnings Per Equity Share Rs. 10/- each fully paid (March 31, 2022: Rs. 10/- each fully paid)	35		
Computed on the basis of total profit for the year			
Basic (Rs.)		(4.87)	(1.08)
Diluted (Rs.)		(4.87)	(1.08)
Summary of Significant Accounting Policies	2.2		

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

**For VRKSJP & Co.**  
Chartered Accountants  
Firm registration no.: 315005E

**Raamanathan K**  
Partner  
Membership No.: 238090



For and on behalf of the Board of Directors  
**Kosei Minda Aluminum Company Private Limited**

**Kundankumar Jha**  
Managing Director  
DIN No. 07137705

**Vijai Pratap Singh**  
Director  
DIN No. 08268956

**Pawan Agrawal**  
Chief Financial Officer

Place: Chennai  
Date: 8th May 2023  
UDIN : 23238090BUGMW8064

Date : 8th May 2023  
Place : Gurgaon



# Kosei Minda Aluminum Company Private Limited

## Statement of Changes in Equity

(All amounts in INR Million except for share data or as otherwise stated)

### a. Equity Share Capital

#### Equity Shares of Rs.10 Each, Fully paid up

As at March 31, 2023

As at March 31, 2022

No.	Rs.
15,69,91,237	1,569.91
15,69,91,237	1,569.91

### b. Other Equity

	Reserves and surplus	Total
	Retained Earnings	
<b>As At March 31, 2021</b>	<b>(863.63)</b>	<b>(863.63)</b>
Profit for the year	(167.93)	(167.93)
Other Comprehensive Income	1.39	1.39
Total Comprehensive Income	(166.54)	(166.54)
<b>As at March 31, 2022</b>	<b>(1,030.17)</b>	<b>(1,030.17)</b>
Profit for the year	(760.08)	(760.08)
Other Comprehensive Income	4.37	4.37
Total Comprehensive Income	(755.72)	(755.72)
<b>As at March 31, 2023</b>	<b>(1,785.89)</b>	<b>(1,785.89)</b>

## Capital management

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

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company intends to keep the gearing ratio less than 2. The Company includes within net debt, borrowings including interest accrued on borrowings less cash and short-term deposits.

	31-Mar-23	31-Mar-22
Borrowings including interest accrued on borrowings	577.00	1,120.90
Less: cash and cash equivalents	(8.71)	(2.14)
<b>Net debt</b>	<b>568.29</b>	<b>1,118.77</b>
Equity	1,569.91	957.91
Other Equity	(1,791.65)	(863.63)
<b>Total Equity</b>	<b>(221.73)</b>	<b>94.28</b>
Gearing ratio (Net Debt/ Total Equity)	(2.56)	11.87

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023

The accompanying notes are an integral part of the financial statements

As per our Report of even date attached

### For VRKSJP & Co.

Chartered Accountants

Firm registration no.: 315005E


  
**Raamanathan K**  
 Partner  
 Membership No.: 238090

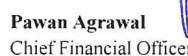


For and on behalf of the Board of Directors

**Kosei Minda Aluminum Company Private Limited**

  
**Kundankumar Jha**  
 Managing Director  
 DIN No. 07137705

  
**Vijai Pratap Singh**  
 Director  
 DIN No. 08268956

  
**Pawan Agrawal**  
 Chief Financial Officer

Place: Chennai

Date: 8th May 2023

UDIN : 23238090BGUGMW8064

Date : 8th May 2023

Place : Gurgoan

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

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## **1. Corporate information**

Kosei Minda Aluminium Company Private Limited ('the Company') was incorporated as a public company and has been converted into a private limited company with effect from September 19, 2014. The Company is a joint venture between "Kosei" Group of Japan and "Minda" Group in India, where in, Kosei and Minda hold 70 percent and 30 percent shareholdings respectively in the Joint Venture Company. The Company is engaged in the manufacture, development and sale of aluminium wheels and other accessories / parts for automobile industry.

## **2. Basis of preparation**

### ***Statement of Compliance***

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

As at March 31, 2023, the Company's accumulated losses of INR 1,78,58,89,831/- (March 31, 2022 – Accumulated loss of INR 1,03,15,60,715/- have eroded the shareholders' funds of INR 1,56,99,12,370/- (March 31, 2022 – INR 1,56,99,12,370/- and the Company has incurred further loss of INR 76,00,84,558/- in the current year. The Company has liability outstanding amounting to INR 7,29,78,047/- to group Company. Subsequent to the balance sheet date, the parent has not demanded for payment from the Company and is committed to provide financial and operational support in the foreseeable future. Accordingly, these financial statements have been prepared on going concern assumption and do not include any adjustments relating to the recoverability and classification of carrying amounts of assets and the amount of liabilities that might result should the Company be unable to continue as a going concern. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

### ***Functional and presentation currency***

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

### ***Basis of Measurement***

The financial statements have been prepared on the historical cost basis except for the following items:

<b>Area</b>	<b>Measurement Basis</b>
Financial assets and liabilities (including derivative financial instruments)	Fair Value (On initial recognition)
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligation

### ***Current and non-current classification***

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 *Presentation of Financial Statements*.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is considered as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### ***Assets:***

An asset as current when it is:

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

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

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- 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.

*Liabilities:*

A liability is current when:

It is expected to be settled in normal operating cycle

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

All other liabilities are classified as non-current.

***Use of estimates and judgements***

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Refer note 37 for explanation of judgements and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

***Measurement of fair values***

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Currently, there is no such change in fair value hierarchy.



## **2. Summary of significant accounting policies**

### **(a) Property, plant and equipment**

Items of property, plant and equipment are stated at cost, net of accumulated depreciation/amortisation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

### **(b) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the statement of profit or loss as incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

### **(c) Depreciation and amortisation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

As per Schedule II of Companies Act-2013, the useful life and depreciation rates for main blocks are as follows:

<b>Asset</b>	<b>Estimate of useful life (years) and rates of depreciation effective April 1, 2014</b>
Factory buildings	3.33%- 30 years
Office buildings	1.67%- 60 years
Plant and machinery	6.67%- 15 years
Plant and machinery – Battery operated cranes	12.5%- 8 years
Mould and dies	20%- 5 years
Reusable plastic containers	33.33%- 3 years
Office equipment	20 %- 5 years
Computers	33.33%- 3 years

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

Furniture and fixtures	10%- 10 years
Vehicles	16.67%- 6 years

Leasehold land is amortized on a straight line basis over the period of lease, i.e., 99 years

Software is amortised on straight line basis over their estimated useful life.

Depreciation/amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate, prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the month on which asset is ready for use (disposed of).

**(d) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the Statement of Profit and Loss.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

**(e) Leases**

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**(f) Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs (calculated as per effective interest method) incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

**(g) Inventories**

Raw-materials, stores, spares and consumables are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on production capacity. Cost of finished goods includes applicable indirect taxes. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

**(h) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. Revenue is recognized in the Statement of profit or loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, regardless of when the payment is being made.

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS115:

**Step 1. Identify the contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2. Identify the performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3. Determine the transaction price:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4. Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5. Recognize revenue when (or as) the entity satisfies a performance obligation.**

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

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For performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The inter alia involves discounting of consideration due to the present value if the payment extends beyond normal credit terms. Revenue from sale of goods and other traded/manufactured goods are recognized when the control of such goods is transferred to the buyer which generally occurs when the goods are delivered and have been accepted by customers. The Company collects Goods and Service tax (GST) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence they are excluded from revenue.

*Interest*

Interest income is recognized on effective interest method. Interest income is included under the head "other income" in the statement of profit and loss. Dividend income is recognized when the right to receive dividend is established.

**(i) Foreign currency transactions**

Transactions in foreign currencies are translated into the currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are, measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in Statement of Profit or Loss except for exchange differences arising from translation of long term foreign currency monetary items which are capitalised with the respective asset in the financial statements for such liabilities undertaken upto March 31, 2017.

**(j) Government Grants**

Government grants and subsidies are recognised when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.

Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating income.

The Company has availed the Export Promotion Capital Goods ('EPCG') scheme provided by the Government of India. The Company capitalizes the non-refundable portion of the duty saved as part of property, plant and equipment and correspondingly accounts for deferred income. Depreciation charge is accounted over the useful life of the respective assets and deferred income is amortised over the period the export obligation is met.

**(k) Retirement and other employee benefits**

*Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. under short-term cash bonus, if

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

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the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

*Defined Contribution Plan – Provident Fund*

Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. Contributions to provident fund are charged to the statement of profit and loss on accrual basis.

*Defined Benefit Plan – Gratuity*

The Company provides gratuity, a defined benefit retirement plan covering eligible employees. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). Currently, the gratuity scheme is not funded.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

*Other long-term employee benefits – Leave Encashment*

Leave encashment is provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.

Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss. The Company presents the leave encashment as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**(I) Financial Instruments**

***Recognition and initial measurement***

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

***Classification and subsequent measurement***

*Financial assets*

On initial recognition, a financial asset is classified as measured at:

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) - debt investment;

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Currently, there are no such designations made.

*Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

*Financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit or Loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses except for long term foreign currency monetary items recognised in the financial statements upto March 31, 2017 are recognized in Statement of Profit or Loss. Any gain or loss on derecognition is also recognized in Statement of Profit or Loss.

### ***Derecognition***

#### ***Financial Assets***

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### ***Financial Liabilities***

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

### ***Offsetting***

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### ***Impairment of financial instruments***

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

#### ***Measurement of expected credit losses***

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### ***Presentation of allowance for expected credit losses in the balance sheet***

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

#### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### **(m) Income taxes**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

#### *Current Tax*

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

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

#### *Deferred Tax*

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### **(n) Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held (if any). Diluted EPS is determined by



adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares. Currently, there are no dilutive shares.

#### **(o) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### **(p) Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company's Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. The Company is primarily in the business of manufacture of aluminium wheels and the Company's CODM reviews financial information presented on a holistic basis for purposes of making operating decisions and assessing financial performance of the Company. Therefore, the Company has determined that it operates in a single operating and reportable segment. (Also refer to note 41)

#### **(q) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **(r) Cash and Cash equivalents**

Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank and on hand, including cheques on hand and short-term investments with an original maturity of three months or less.

### **2.1 Standards issued but not yet effective**

#### *Ind AS 116, Leases*

On 30 March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116, Leases. Ind AS 116, Leases, replaces the existing standard Ind AS 17, Leases, and interpretation/guidance contained in its appendices. Ind AS 116 is applicable for accounting periods beginning on or after 1 April 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

**Kosei Minda Aluminum Company Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
(All amounts are in Indian Rupees, unless otherwise stated)

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Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from current accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

The Company is in the process of carrying out an initial assessment of the potential impact of the adoption of Ind AS 116 on accounting policies followed in its financial statements. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

**Kosei Minda Aluminum Company Private Limited**
**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**3 Property, plant and equipment**

Particulars	Leasehold land	Factory buildings	Office buildings	Plant and machinery *	Moulds and dies	Office Equipments	Computer	Furniture and fixtures	Vehicles	Total property, plant and equipment
<b><u>Gross carrying value</u></b>										
Balances as at April 1, 2021	114.07	155.52	83.24	1,403.95	82.38	15.02	5.49	13.50	3.14	1,876.33
Additions	-	0.33	-	27.12	3.70	5.56	1.19	0.61	1.01	39.52
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>114.07</b>	<b>155.85</b>	<b>83.24</b>	<b>1,431.08</b>	<b>86.08</b>	<b>20.59</b>	<b>6.68</b>	<b>14.11</b>	<b>4.15</b>	<b>1,915.84</b>
Balances as at April 1, 2022	114.07	155.85	83.24	1,431.08	86.08	20.59	6.68	14.11	4.15	1,915.84
Additions	-	3.96	-	84.04	16.95	2.06	0.56	0.20	0.18	107.95
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments - (Revaluation- refer note 3A)	-	-	-	(540.96)	-	(3.86)	-	(2.97)	-	(547.78)
<b>As at March 31, 2023</b>	<b>114.07</b>	<b>159.81</b>	<b>83.24</b>	<b>974.16</b>	<b>103.03</b>	<b>18.79</b>	<b>7.24</b>	<b>11.34</b>	<b>4.33</b>	<b>1,476.01</b>
<b><u>Depreciation</u></b>										
Balances as at April 1, 2021	5.34	27.63	6.26	469.12	68.28	6.33	5.46	6.96	1.03	596.42
Charge for the year	0.10	7.17	-	87.88	8.36	0.98	0.44	0.96	0.48	106.37
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>5.44</b>	<b>34.81</b>	<b>6.26</b>	<b>557.00</b>	<b>76.65</b>	<b>7.31</b>	<b>5.90</b>	<b>7.92</b>	<b>1.51</b>	<b>702.79</b>
Balances as at April 1, 2022	5.44	34.81	6.26	557.00	76.65	7.31	5.90	7.92	1.51	702.79
Charge for the year	1.31	7.43	-	79.53	14.71	0.89	0.58	1.47	0.63	106.55
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>6.74</b>	<b>42.24</b>	<b>6.26</b>	<b>636.53</b>	<b>91.35</b>	<b>8.19</b>	<b>6.48</b>	<b>9.40</b>	<b>2.15</b>	<b>809.34</b>
<b><u>Net carrying value</u></b>										
<b>As at March 31, 2022</b>	<b>108.63</b>	<b>121.04</b>	<b>76.98</b>	<b>874.08</b>	<b>9.43</b>	<b>13.28</b>	<b>0.78</b>	<b>6.18</b>	<b>2.64</b>	<b>1,213.05</b>
<b>As at March 31, 2023</b>	<b>107.33</b>	<b>117.58</b>	<b>76.98</b>	<b>337.62</b>	<b>11.67</b>	<b>10.59</b>	<b>0.77</b>	<b>1.95</b>	<b>2.18</b>	<b>666.66</b>

**Note 3A**

Movable assets have been revalued on 1st January 2023 by registered valuer Mr.Devendar Kumar Malhotra (Registration No – IBBI/RV/05/2018/10424).and resulting revaluation loss of INR 547.78 Mn. has been recognised as revaluation loss in Profit & loss account under the head other expenses.

## Kosei Minda Aluminum Company Private Limited

### Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR Million except for share data or as otherwise stated)

#### 4 Intangible Assets

Particulars	Computer Software	Total other intangible assets
<b><u>Gross carrying value</u></b>		
Balances as at April 1, 2021	12.04	11.40
Additions	3.18	0.64
Disposals		
<b>As at March 31, 2022</b>	<b>15.22</b>	<b>12.04</b>
Balances as at April 1, 2022	15.22	15.22
Additions	0.36	0.36
Disposals		
<b>As at March 31, 2023</b>	<b>15.57</b>	<b>15.57</b>
<b><u>Amortisation</u></b>		
<b>Balances as at April 1, 2021</b>	9.96	9.96
Charge for the year	1.65	1.65
Disposals		
<b>As at March 31, 2022</b>	<b>11.61</b>	<b>11.61</b>
Balances as at April 1, 2022	11.61	11.61
Charge for the year	1.42	1.42
Disposals		
<b>As at March 31, 2023</b>	<b>13.03</b>	<b>13.03</b>
<b><u>Net carrying value</u></b>		
<b>As at March 31, 2022</b>	<b>3.61</b>	<b>0.43</b>
<b>As at March 31, 2023</b>	<b>2.55</b>	<b>2.55</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**5 Capital work in progress**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening balance	38.20	38.20
Add: Addition during the year (including CWIP in transit)	0.77	-
Less: Transfer to PPE	-38.97	-
<b>Total</b>	<b>0.00</b>	<b>38.20</b>

Capital-work in progress pertains the capital expenditure incurred on construction of manufacturing facility.

**6 Investments**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Unquoted investments in equity instruments: Valued at FVOCI</b>		
- (1,33,200 equity shares of Rs. 10 each fully paid up in SAKS Power Pvt Ltd )	1.33	0.06
<b>Total</b>	<b>1.33</b>	<b>0.06</b>

<b>Current</b>	-	-
<b>Non Current</b>	<b>1.33</b>	<b>0.06</b>
<b>Aggregate value of unquoted investments</b>	<b>1.33</b>	<b>0.06</b>

**7 Other financial assets - Non current**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Deposit with original maturity for more than 12 months	0.77	0.77
Security deposit	13.32	4.42
<b>Total</b>	<b>14.09</b>	<b>5.19</b>

**8 Other non current assets**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Non-current (unsecured, considered good unless otherwise stated)</b>		
Capital Advances	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9 Inventories**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Raw materials	92.04	63.42
Work-in-progress	17.44	3.38
Finished goods	39.25	87.11
Goods in Transit	3.59	2.98
Stores, spares and consumables	46.64	44.54
<b>Total</b>	<b>198.96</b>	<b>201.42</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**10 Trade Receivables**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Trade Receivables (Unsecured otherwise mentioned)	235.10	406.03
Less: Allowance for credit loss	-	-
<b>Total</b>	<b>235.10</b>	<b>406.03</b>

The details of trade or other receivables due from directors or other officers of the Company either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member is provided in **Note 40**.

**11 Cash & cash equivalents**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Cash &amp; Cash Equivalents</b>		
Balances with Banks		
- On Current accounts	1.05	28.34
Cash on hand	0.21	0.24
Bank Overdraft	7.46	-
<b>Total</b>	<b>8.71</b>	<b>28.58</b>

**12 Other financial assets - Current**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>(Unsecured, considered good unless stated otherwise)</b>		
Loan to employees	0.69	0.98
Interest accrued on fixed deposits	-	0.85
<b>Total</b>	<b>0.69</b>	<b>1.83</b>

**13 Current tax assets**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Advance tax paid	3.66	2.03
<b>Total</b>	<b>3.66</b>	<b>2.03</b>

**14 Other current assets**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Current (unsecured, considered good unless otherwise stated)</b>		
Advances recoverable in cash or in kind	16.71	18.71
Balances with statutory /government authorities	0.37	30.85
Prepaid expenses	3.32	11.60
Insurance Claim Receivable	0.89	1.27
Other Receivables	4.01	6.34
<b>Total</b>	<b>25.30</b>	<b>68.77</b>

**Note 1**

The Company has received notice dated 18.01.2017 from Deputy Commissioner of Customs (Special Valuation Branch) in connection with the assessable value of the imports from group companies. The Company has been requested to provide relevant documents. The Company has submitted the required details to the Special Valuation Branch ('SVB') to conclude that the value of imports from related parties are at arms-length price and is awaiting the final order. As part of this exercise, the Company has been carrying out the pricing study to substantiate that the transactions are at arms-length. Refund application for a portion of the deficit have been made post receipt of the order from SVB. No adjustment has been made in the financial statements.

**Kosei Minda Aluminum Company Private Limited**
**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**15 Equity share capital**

	March 31, 2023	March 31, 2022
<b>Authorised</b>		
1,572,000,000 (March 31, 2022: 1,572,000,000) equity shares of Rs. 10 each	1,572.00	1,572.00
<b>Total</b>	<b>1,572.00</b>	<b>1,572.00</b>

<b>Issued, subscribed and fully paid up shares</b>		
1,569,91,237 equity shares of Rs 10/- each (March 31, 2022: 957,91,237 equity shares of Rs 10/- each)	1,569.91	1,569.91
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,569.912</b>	<b>1,569.912</b>

**15.1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**
**Subscribed and fully paid**

	March 31, 2023		March 31, 2022	
	No.	Rs.	No.	Rs.
At the beginning of the year	15,69,91,237	1,569.91	9,57,91,237	957.91
Issued during the year	-	-	6,12,00,000	612.00
<b>Outstanding at the end of the year</b>	<b>15,69,91,237</b>	<b>1,569.91</b>	<b>15,69,91,237</b>	<b>1,569.91</b>

**15.2. Rights attached to Equity Shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion of the number of equity shares held by the shareholders.

**15.3. Details of Shareholders holding more than 5 % shares of the Company:**

Equity Shares of Rs. 10/- each held by	March 31, 2023		March 31, 2022	
	% Holding	No.	% Holding	No.
Kosei Aluminum Company Limited, Japan	69.53	10,91,62,586	-	-
Kosei International Trade and Investment Company Limited, Hong Kong, holding company			69.53	10,91,62,586
Kosei Aluminum (Thailand) Company Limited, subsidiary of the holding company, Thailand	12.16	1,90,91,280	12.16	1,90,91,280
Minda Industries Limited	18.31	2,87,37,371	18.31	2,87,37,371

Kosei International Trade and Investment Company Limited, Hong Kong, holding company (KITI) has transferred the shares to Kosei Aluminum Company Ltd, the ultimate holding company. This transfer comes into effect on 07th April 2022 after approval by the JV partner in their Board.

The company has filed the scheme of amalgamation with NCLT under section 230-232 of the Companies Act, 2013. This scheme provides for amalgamation of Kosei Minda Aluminum Company Private Limited with UNO Minda Limited from the appointed date (1st April 2023) or the date as may be mutually agreed by the Boards or such other date as may be fixed by the NCLT.

**15.4. As per records of the Company, including its register of shareholders/ members, the above shareholding represents legal and beneficial ownerships of shares.**
**16 Retained earnings**

	March 31, 2023	March 31, 2022
Opening balance	(1,031.56)	(863.63)
<b>Add/Less: Adjustments during the year</b>		
Net profit for the current year	(760.08)	(167.93)
Prior period		
<b>Amount available for appropriation</b>	<b>(1,791.65)</b>	<b>(1,031.56)</b>
<b>Less: Appropriations</b>		
<b>Total appropriations</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>	<b>(1,791.65)</b>	<b>(1,031.56)</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**17 Borrowings**

	March 31, 2023	March 31, 2022
<b>Non-Current Borrowings:</b>		
<b>Term loans (Unsecured):</b>		
Long Term Loan	-	-
External commercial borrowings in foreign currency	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Current Borrowings**

	March 31, 2023	March 31, 2022
<b>Term loans:</b>		
Current portion of Long Term Loan	-	45.20
Bank Overdraft	-	8.71
<b>Loans repayable on demand from banks:</b>		
Working capital loans from banks (Unsecured)	-	586.36
Loan from Minda Kosei Aluminum Wheel Private Limited	577.00	-
<b>Total</b>	<b>577.00</b>	<b>640.27</b>

**(a) The details of Indian rupee term loans from banks are as under:**

Name of the Bank	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Sanction Amount	No. of Instalments	Commencement of instalments	Rate of Interest	Effective interest rate
The Bank of Tokyo-Mitsubishi UFJ,LTD - Loan 1	-	20.20	202.00	10	30-03-2018	9.15%	9.15%
The Bank of Tokyo-Mitsubishi UFJ,LTD - Loan 2	-	25.00	100.00	12	31-12-2019	9.75%	9.75%

**(b) Foreign Currency loans from banks comprise of Long Term Buyer's Credit, Foreign Currency Non Residential Term Loan (FCNR TL):**

Name of the Bank & Nature of Loan	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Sanction Amount	No. of Instalments	Commencement of instalments	Rate of Interest	Effective interest rate	Loan Currency
The Bank of Tokyo-Mitsubishi UFJ,LTD ( form KITI)	-	-	43	13	01-03-2016	4%	4%	USD
The Bank of Tokyo-Mitsubishi UFJ,LTD ( form KITI)	-	-	22	13	01-03-2017	4%	4%	USD
The Bank of Tokyo-Mitsubishi UFJ,LTD ( form KITI)	-	-	24	20	15-04-2020	2%	2%	USD
MIZUHO BANK,LTD ( form KITI)	-	-	40	10	30-12-2015	3%	3%	USD



**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**18 Government grant**

	<b>March 31, 2023</b>	<b>31-Mar-22</b>
<b>Opening balance</b>	1.42	3.90
Received during the year		
Released to the statement of profit and loss	(1.42)	(2.48)
<b>Closing balance</b>	<b>(0.00)</b>	<b>1.42</b>

<b>Current</b>	(0.00)	1.42
<b>Non Current</b>	-	0.00

**19 Deferred tax liability (Net)**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Deferred tax liability relating to</b>		
Depreciation on fixed assets	107.97	108.01
Others		-
DTL on Ind AS adjustments		-
<b>(A)</b>	<b>107.97</b>	<b>108.01</b>

<b>Deferred tax asset relating to</b>		
Carried forward business loss and unabsorbed depreciation	87.63	95.58
Provision for gratuity and compensated absences	20.34	12.43
Provision for warranty		-
DTA on Ind AS adjustments		-
<b>(B)</b>	<b>107.97</b>	<b>108.01</b>
<b>Deferred tax liability/(assets) (Net) (A-B)</b>	<b>-</b>	<b>-</b>

The Company has recognized deferred tax assets on provision and carried forward depreciation / losses only to the extent of deferred tax liability as the same is not reasonably / virtually certain.

**20 Trade Payables**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Trade Payables	474.97	718.52
<b>Total</b>	<b>474.97</b>	<b>718.52</b>

**Note:**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest payable, if any, under this Act have not been given.

The Company's exposure to currency and liquidity risks related to Trade Payables is covered in **Note**

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**21 Other Financial liabilities - Current**

	March 31, 2023	March 31, 2022
<b>Valued at amortised cost</b>		
Liability for capital goods	-	-
Employee related liabilities	4.95	11.30
<b>Total</b>	<b>4.95</b>	<b>11.30</b>

**22 Current tax liabilities**

	March 31, 2023	March 31, 2022
<b>Current tax liabilities</b>		
Provision for taxes (net)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**23 Provisions**

	March 31, 2023	March 31, 2022
<b>Non-Current</b>		
Provision for gratuity	13.66	8.02
Provision for leave encashment	5.36	3.34
Provision for warranty	-	-
<b>Total</b>	<b>19.03</b>	<b>11.36</b>

<b>Current</b>		
Provision for gratuity	0.95	0.75
Provision for leave encashment	0.37	0.32
<b>Total</b>	<b>1.32</b>	<b>1.07</b>

**24 Other Liabilities**

	March 31, 2023	March 31, 2022
<b>Non-Current</b>		
Statutory liabilities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

	March 31, 2023	March 31, 2022
<b>Current</b>		
Statutory liabilities	18.45	27.28
Advances received from customers	18.81	-
Others	264.26	19.19
<b>Total</b>	<b>301.53</b>	<b>46.48</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**25 Revenue from Operations (Gross)**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Sale of Products	2,166.87	1,565.38
<b>Total</b>	<b>2,166.87</b>	<b>1,565.38</b>

**26 Other Income**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Interest Income on		
- Bank Deposits	0.04	0.06
Other non-operating income	13.78	22.25
Government Grant income	1.42	2.48
Creditors written back	347.10	-
Foreign Exchange Fluctuation (net)	-	1.18
<b>Total</b>	<b>362.33</b>	<b>25.96</b>

**27 Cost of raw materials and Paint material consumed**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>Raw Materials Consumed</b>		
Opening stock	63.42	34.23
Add : Purchases	1,441.99	1,029.28
Add : Processing charges	9.45	6.20
	<b>1,514.86</b>	<b>1,069.72</b>
Less : Closing stock	92.04	63.42
<b>Total</b>	<b>1,422.82</b>	<b>1,006.30</b>

**28 Purchase of traded goods**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Purchases of traded goods	1.68	-
<b>Total</b>	<b>1.68</b>	<b>-</b>

**29 Changes in Inventories of Finished Goods and Work-in-Progress**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>Closing stock</b>		
Work-in-Progress	17.44	3.38
Finished goods (including goods in transit)	42.84	87.11
	<b>60.28</b>	<b>90.49</b>
<b>Opening stock</b>		
Work-in-Progress	3.38	1.91
Finished goods (including excise duty)	87.11	90.79
	<b>90.49</b>	<b>92.70</b>
<b>Decrease/(Increase) in inventories of finished goods and work-in-progress</b>	<b>30.21</b>	<b>2.21</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**30 Employee Benefits Expense**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Salaries, wages and bonus	124.29	100.43
Contribution to provident and other funds	8.63	6.48
Gratuity expense	11.33	4.57
Staff welfare expenses	50.59	37.09
<b>Total</b>	<b>194.84</b>	<b>148.57</b>

**31 Finance Costs**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Interest expenses	45.41	38.47
Bank charges	2.46	0.81
<b>Total</b>	<b>47.86</b>	<b>39.28</b>

**32 Depreciation and Amortisation expense**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Depreciation of tangible assets.	106.55	106.37
Amortization of intangible assets.	1.42	1.65
<b>Total</b>	<b>107.97</b>	<b>108.01</b>

**33 Other Expenses**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>A. Manufacturing Expenses</b>		
Consumption of stores and spares	123.23	106.46
Power and fuel	240.99	177.79
Repairs & maintenance		
Plant and machinery	61.23	40.02
Others	7.15	6.54
<b>(A)</b>	<b>432.60</b>	<b>330.80</b>
<b>B. Administrative &amp; Selling Expenses</b>		
Rent	2.55	0.50
Rates and taxes	4.00	1.48
Insurance	6.25	4.00
Foreign Exchange Fluctuation (net)	15.02	-
Legal and professional expenses	4.15	2.40
Payment to the auditors (Refer Note: 33.1)	1.15	0.70
Travelling and conveyance	6.82	4.04
Communication expenses	1.07	0.57
Royalty Fees	48.13	31.63
Freight outward	26.88	22.78
Testing Expenses	4.91	3.73
Security charges	3.10	1.43
Contract wages	68.36	45.19
House keeping expenses	1.38	0.29
Miscellaneous expenses	5.51	6.74
Provision for statutory payments	253.95	-
Revaluation Loss (Refer Note 3A)	547.78	-
Statutory Balance Written Off	30.39	-
Bad Debts	24.27	-
<b>(B)</b>	<b>1,055.68</b>	<b>125.47</b>
<b>Total (A+B)</b>	<b>1,488.28</b>	<b>456.28</b>

<b>Note: 33.1</b>	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>Payment to Auditors (excluding service tax)</b>		
As auditor :		
- Statutory audit fee	1.00	0.55
- Tax audit fee	0.15	0.15
- Reimbursement of expenses		
<b>Total</b>	<b>1.15</b>	<b>0.70</b>

**Kosei Minda Aluminum Company Private Limited****Notes to Financial Statements for the year ended March 31, 2023****(All amounts in INR Million except for share data or as otherwise stated)****34 Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>Retained Earnings:</b>		
Remeasurement gains/(losses) on defined benefit obligations	4.37	1.39
Income tax effect		
<b>Total</b>	<b>4.37</b>	<b>1.39</b>

**35 Earnings per share (EPS)**

	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>The following reflects the profit and share data used in the basic and diluted EPS computations:</b>		
Profit available for equity shareholders	(764.45)	(169.32)
Weighted average number of equity shares in computing basic and diluted EPS	15,69,91,237	15,69,91,237
Face value of each equity share (Rs. 10)	10.00	10.00
Earnings per share		
- Basic (Rs.)	(4.87)	(1.08)
- Diluted (Rs.)	(4.87)	(1.08)

**Kosei Minda Aluminum Company Private Limited****Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**36 Taxes****(a) Income tax expense:**

The major components of income tax expenses for the year ended March 31, 2023 and for the year ended March 31, 2022 are:

**(i) Profit or loss section**

Particulars	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Current tax expense	-	-
Deferred tax (credit)/charge	-	-
<b>Total income tax expense recognised in statement of Profit &amp; Loss</b>	<b>-</b>	<b>-</b>

**(ii) OCI Section**

Particulars	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
<b>Net movement</b>		
Net gain on remeasurement of defined benefit plans	-	-
<b>Income tax charged to OCI</b>	<b>-</b>	<b>-</b>
<b>DTA created for carried forward loss</b>	<b>-</b>	<b>-</b>
<b>Net income tax charged to OCI</b>	<b>-</b>	<b>-</b>

**(b) Reconciliation of effective tax rate as per Sec 115JB (MAT):**

Particulars	For the year ended 31-Mar- 2023	For the year ended 31-Mar- 2022
Profit Before Tax (A)	(760.08)	(156.08)
Enacted tax rate in India (B)	15.00%	15.00%
Expected tax expenses (C = A*B)	-	-
<b>Permanent Difference</b>		
Amount of loss brought forward or unabsorbed depreciation whichever is less as per books of accounts	(642.49)	(58.26)
<b>Total (D)</b>	<b>(642.49)</b>	<b>(58.26)</b>
Profit after adjusting permanent difference	(1,402.58)	(214.34)
Expected tax expense	-	-
Total Tax expense	-	-
Effective Tax Rate	0.00%	0.00%

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**37. Significant accounting, estimates and assumptions**

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

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

**i) Impairment of non-financial assets**

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators

**ii) Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**iii) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**iv) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**v) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has INR 2113.71 Millions (31 March 2022: INR 1956.96 Millions ) of tax losses carried forward.

**38. Employee benefits****Gratuity benefits provided by the Company**

In accordance with applicable Indian laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes provision in the books.

The components of gratuity cost recognised in the statement of profit and loss for the years ended March 31, 2023 and March 31, 2022 consist of the following:

Particulars	For the year ended	For the year ended
	31-Mar-23	31-Mar-22
Current service cost	2.01	1.34
Interest on net defined benefit liability, net	0.59	0.45
Past service cost	-	-
<b>Gratuity cost recognised in statement of profit and loss</b>	<b>2.60</b>	<b>1.79</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Return on plan assets (greater)/less than discount rate	-	-
Actuarial (gains) / losses due to DBO assumptions changes	4.37	1.39
Change in asset ceiling	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>4.37</b>	<b>1.39</b>
Details of the employee benefits obligations and plan assets are provided below:		
Present value of funded obligations	8.77	7.54
Fair value of plan assets	-	-
<b>Net defined benefit liability recognised</b>	<b>8.77</b>	<b>7.54</b>
<b>Details of changes in the present value of defined benefit obligations are as follows:</b>		
Defined benefit obligations at the beginning of the year	8.77	7.54
Current service cost	2.01	1.34
Interest on defined obligations	0.59	0.45
Re-measurements due to:		
Effect of changes in assumptions	3.29	(0.22)
Effect of changes in experience	1.07	1.61
Benefits paid	(1.13)	(1.94)
<b>Defined benefit obligations at the end of the year</b>	<b>14.61</b>	<b>8.77</b>

**Kosei Minda Aluminum Company Private Limited**
**Notes to Financial Statements for the year ended March 31, 2023**  
 (All amounts in INR Million except for share data or as otherwise stated)

**Sensitivity Analysis:**

	For the year ended 31-Mar-23	For the year ended 31-Mar-22
(a) Effect of 1% change in assumed discount rate		
- 1% increase	13.16	8.04
- 1% decrease	16.36	9.63
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	16.30	9.63
- 1% decrease	13.18	8.04
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	15.01	9.30
- 1% decrease	14.17	8.17

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Discount rate	7.20%	7.23%
Rate of return of plan assets	0.00%	0.00%
Attrition rate	5.00%	5.00%
Rate of compensation increase	5.00%	2.00%

**The expected future cash flows in respect of gratuity were as follows:**

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
<b>Expected future benefit payments</b>		
Year 1	0.96	0.76
Year 2	0.97	0.75
Year 3	0.94	0.73
Year 4	1.38	0.69
Year 5	0.93	0.90
Next 5 years	4.80	3.10

**Provident fund benefits**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund for the year aggregated to INR. 86.25 Lacs (March 31, 2022: INR. 64.78 Lacs ) and is included in "contribution to provident fund".

**39. Contingent Liabilities**

Particulars	As at 31-Mar-23	As at 31-Mar-22
(i) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

ii) The Company has received a notice from TN VAT Authorities with a tax demand of INR 14.08 million. However, the Company has filed an appeal with Madras High Court and the management believes there is a possible chance of winning the case.

(iii) The Company has obtained Export Promotion Capital Goods ("EPCG") licenses subject to conditions contained in the Foreign Trade (Regulation) Rules, 1993 from the Director General of Foreign Trade. These licenses entitle the Company to import capital goods at concessional/nil rates of customs duty. As per the terms of the EPCG license, the Company had an outstanding export obligation of Nil (Previous year (2022) - Nil) over 6 - 8 years period.



**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**  
(All amounts in INR Million except for share data or as otherwise stated)

**40. Related party Disclosure**

**List of related parties**

**(i) Names of related parties and related party relationship**

Sr. No	Name of the Related Party	Nature of Relationship
1	Kosei Aluminium Company Limited, Japan	Ultimate holding company
2	Kosei International Trade and Investment Company Limited, Hong Kong	Holding Company
3	Kosei Aluminium (Thailand) Company Limited, Thailand	Holding Company
4	Kosei North Company Limited Japan	Fellow subsidiary
5	Minda Industries Limited	Holding Company
6	Minda Investments Limited	Enterprises owned or significantly influenced by key management personnel
7	Mindarika Private Limited	Enterprises owned or significantly influenced by key management personnel
8	Minda Finance Limited	Enterprises owned or significantly influenced by key management personnel
9	Minda Projects Limited	Enterprises owned or significantly influenced by key management personnel
10	Minda Kosei Aluminum Wheel Private Limited	Enterprises owned or significantly influenced by key management personnel
11	Kosei Minda Mold Private Limited	Fellow subsidiary

**Key Management Personnel:**

1	Alex P Adiova	Managing Director
2	Shingo Nagata	Director
3	Nirmal Kumar Minda	Director
4	Kundankumar Jha	Director

**ii) The following transactions were carried out with the related parties in the ordinary course of business:**

Nature of the Transaction	Name of the Related Party	As at	
		31-Mar-23	31-Mar-22
<b>1) Shares issued during the year</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	-	61.20
	Minda Industries Ltd	-	-
<b>2) Sale of goods</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	303.34	361.13
	Kosei Aluminium (Thailand) Company Limited, Thailand	0	
	Minda Kosei Aluminum Wheel Private Limited	0.069	
<b>3) Purchases of stores, spares and consumables</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	29.47	32.31
	Kosei Aluminium Company Limited, Japan		
<b>4) Purchase of fixed assets</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	0.36	2.95
	Kosei Aluminium (Thailand) Company Limited, Thailand	-	
	Minda	-	
	Kosei Minda Moulds Pvt Ltd	5.90	2.03
<b>5) Royalty fee</b>			
	Kosei Aluminium Company Limited, Japan	16.04	10.54
	Kosei Aluminium (Thailand) Company Limited, Thailand	8.02	5.27
	Kosei International Trade and Investment Company Limited, Hong Kong	8.02	5.27
	Minda Industries Ltd	16.04	10.54
<b>6) Other Sales</b>			
	Minda Kosei Aluminum Wheel Private Limited	-	-
<b>7) Technical fee</b>			
	Kosei Aluminium Company Limited, Japan	-	-
	Kosei Aluminium (Thailand) Company Limited, Thailand		
<b>8) Consultancy charges</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	1.21	-
	Minda Projects Limited		
<b>9) Repairs and maintenance</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	-	-
<b>10) Re-imbursement of expenses</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	0.11	2.82
	Kosei St. Mary's		
	Kosei Aluminium Company, Japan	1.33	0.15
	Kosei Aluminium (Thailand) Company Limited		
	Minda Kosei Aluminum Wheel Pvt Ltd(GJ)		
<b>11) Sales Promotion Expenses</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	0.13	3.27
	Kosei Aluminium Company, Japan		
<b>12) Testing Expenses</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	0.76	0.70
	Kosei Aluminium (Thailand) Company Limited		
<b>11) Loans taken</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	-	-
	Minda Kosei Aluminum Wheel Pvt Ltd	577.00	
<b>12) Loans repaid</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	-	-
<b>13) Interest on loans</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	-	-
<b>14) Remuneration to key managerial personnel</b>			
	Short term employee benefits	7.72	8.63
	Post-employment gratuity		
	Termination Benefits		
	<b>Total compensation paid to key management personnel</b>	<b>7.72</b>	<b>8.63</b>
<b>15) Sitting fees paid to directors</b>		-	-

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**  
(All amounts in INR Million except for share data or as otherwise stated)

iii) Amount due to / from related parties			
Nature of the Transaction	Name of the Related Party	As at 31-Mar-23	As at 31-Mar-22
<b>1) Trade receivables</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	6.42	33.90
	Minda Kosei Aluminium Wheel Private Limited		
<b>2) Trade payables</b>			
	Kosei International Trade and Investment Company Limited, Hong Kong	15.26	301.74
	Kosei Aluminium Company Limited, Japan	43.68	27.67
	Kosei Aluminium (Thailand) Company Limited, Thailand	14.04	6.76
	Kosei Minda Mould Private Limited	-	0.17
<b>3) Other payables</b>			
	Kosei Aluminium Company Limited, Japan	-	-
	Kosei Tabi Tours Ltd	0.17	0.15
	Yantai Kosei Aluminium Co Ltd	-	-
	Minda Industries Ltd	34.27	20.15
<b>4) Other receivables</b>			
	Mindarika Private Limited	-	-
	Kosei North company limited	-	-
	Minda Kosei Aluminium Wheel Private Limited	-	-
	Minda Kosei Aluminium Wheel Pvt Ltd(GJ)	-	-
	Kosei Alumi Hokkaido Co Ltd	-	-
	Kosei ST. Marys Corporation	-	1.34
<b>5) Loans payable</b>			
	Minda Kosei Aluminium Wheel Private Limited	577.00	-

The above Directors have been considered as Key Management Personnel as they are involved in planning, directing and controlling the activities of the reporting enterprise.

Remuneration to the key managerial personnel does not include provision made for gratuity and leave benefits, which are determined on an actuarial basis for the company as a whole.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured.

## Kosei Minda Aluminum Company Private Limited

### Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR Million except for share data or as otherwise stated)

#### 41. Operating segment

##### A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Officer ('CEO') and the Board of Directors, to make decisions about resources to be allocated to the segments and assess their performance. The CEO is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 *Operating Segments*.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The Company is primarily engaged into the business of manufacture and sale of aluminium wheels and other accessories/parts for automobile industry. The CEO of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 *Operating Segments*. Accordingly, amounts appearing in these financial statements relates to manufacture and sale of aluminium wheels and related components.

##### B. Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, revenue has been based on the geographic location of customers and non-current assets have been based on the geographical location of the assets.

###### i. Revenues

	Year ended March 31, 2023	Year ended March 31, 2022
India (a)	1,864	1,204
<b>Other countries:</b>		
Japan		
Hong Kong	303.34	361.13
<b>Total other countries (b)</b>	303.34	361.13
<b>Total (a + b)</b>	<b>2,166.87</b>	<b>1,565.38</b>

Revenue from external customers comprises of sale of aluminium wheels and other related components.

###### ii. Non-current assets\*

	Year ended March 31, 2023	Year ended March 31, 2022
India	685	1,260

\* Non-current assets exclude financial instruments

Since, the Company has manufacturing facility only in India, all the non-current assets are located in India.

##### C. Major customer

Revenue from three customers of the Company which is more than 10 percent of the Company's total revenue in each case.

Customer	Amount (in INR Millions)
Customer 1	896.38
Customer 2	303.34
Customer 3	289.88
<b>Total</b>	<b>1,489.59</b>

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**42. Fair Values**

Refer Note 2.2 (I) for accounting policy on Financial Instruments.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Financial assets</b>				
<i>Financial assets at fair value through other comprehensive income:</i>				
a) Investments				
-Equity instruments	1.33	0.06	1.33	0.06
<b>Financial assets at amortised cost:</b>				
a) Trade Receivables	235.10	406.03	235.10	406.03
b) Cash & Cash Equivalents	8.71	28.58	8.71	28.58
c) Other Financial Assets (Current and Non-current)	14.09	5.19	14.09	5.19
<b>Total Financial assets</b>	<b>259.24</b>	<b>439.86</b>	<b>259.23</b>	<b>439.86</b>
<b>Financial liabilities</b>				
<i>Financial liabilities at amortised cost:</i>				
a) Borrowings	577.00	640.27	577.00	640.27
b) Trade payables	474.97	718.52	474.97	718.52
c) Other Financial Liabilities (Current)	4.95	11.30	4.95	11.30
<b>Total Financial Liabilities</b>	<b>1,056.92</b>	<b>1,370.09</b>	<b>1,056.92</b>	<b>1,370.09</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at fixed rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Kosei Minda Aluminum Company Private**

**Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**43. Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

	Fair Value as at March 31, 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>				
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>				
a) Investments in unquoted equity shares	1.33	-	-	1.33
<b>Financial liabilities</b>				
<b>Financial liabilities measured at amortised cost</b>				
a) Fixed rate USD loan from bank (long term)	-	-	-	-
b) Fixed rate INR loan from bank (long term)	-	-	-	-

There are no transfers between levels 1 and 2 during the year.

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2023:**

	Fair Value as at March 31, 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>				
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>				
a) Investments in unquoted equity shares	1.33	-	-	1.33
<b>Financial liabilities</b>				
<b>Financial liabilities measured at amortised cost</b>				
a) Fixed rate USD loan from bank (long term)	-	-	-	-
b) Fixed rate INR loan from bank (long term)	-	-	-	-

There are no transfers between levels 1 and 2 during the year.

**Measurement of Fair Value**

**Valuation technique:**

The following table shows the valuation techniques used in measuring Level 3 fair values for assets and liabilities carried at fair value through profit or loss and amortised cost.

Type	Valuation Technique
<b>Assets measured at fair value:</b>	
Investments in unquoted equity shares	The fair value is determined based on value per share derived from net worth of the Company as at the reporting
<b>Liabilities measured at amortised value:</b>	
a) Fixed rate USD loan from bank (long term)	The valuation model adopted for computing the fair value of the borrowing is the discounted cash flow model,
b) Fixed rate INR loan from bank (long term)	where the present value of expected payments is discounted using a current interest rate (EIR).

## Kosei Minda Aluminium Company Private Limited

### Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR Million except for share data or as otherwise stated)

#### 44. Financial risk management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

##### *a. Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

##### *Trade and other receivables*

The Company's major sales is to 4 customers. The normal credit terms are upto 60 days. The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored. The Company's receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past.

Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Currently the Company has not provided any provision in the books as per Ind AS 109 due to the fact that there are no historical credit losses observed in the past.

##### *Exposure to credit risk:*

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was INR. 235.10 million and INR. 406.03 million as of March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances with trade receivables.

##### *b. Liquidity risk*

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the

Particulars	On demand	0 to 12 months	1 to 5 years	> 5 years	Total
<b>March 31, 2023:</b>					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	-	577.00	-	-	577.00
Trade payables	-	474.97	-	-	474.97
Other Current Financial liabilities	-	4.95	-	-	4.95
	-	<b>1,056.92</b>	-	-	<b>1,056.92</b>

Particulars	On demand	0 to 12 months	1 to 5 years	> 5 years	Total
<b>March 31, 2022:</b>					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	-	640.27	-	-	640.27
Trade payables	-	718.52	-	-	718.52
Other Current Financial liabilities	-	11.30	-	-	11.30
	-	<b>1,370.09</b>	-	-	<b>1,370.09</b>

##### *c. Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

**Kosei Minda Aluminum Company Private Limited**

**Notes to Financial Statements for the year ended March 31, 2023**

**(All amounts in INR Million except for share data or as otherwise stated)**

**i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest risk management and therefore has subscribed to fixed rate borrowings in its portfolio.

Since the Company currently has only fixed rate borrowings (foreign and local) there are no interest rate risk noted and therefore sensitivity test not performed.

**ii) Foreign Currency Risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, JPY and THB against the functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

a) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

	Currency	March 31, 2023			March 31, 2022		
		Amount in Foreign Currency	Amount in Rs.	Conversion Rate	Amount in Foreign Currency	Amount in Rs.	Conversion Rate
Trade receivables	USD	0.11	8.88	82.22	0.45	34.11	75.79
	JPY						
Trade payables	USD	0.04	3.42	82.22	1.86	140.97	75.79
	JPY	7.66	4.73	0.62	277.67	172.16	0.62
	THB						
External Commercial Borrowings	USD	-	-	-	-	-	-

**Foreign currency sensitivity:**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, JPY and THB exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not

	Change in Currency rate		Effect on profit before tax	
	Increase	Decrease	Increase / (Decrease)	
<b>31-Mar-23</b>				
USD	1.00%	1.00%	-	-
JPY	1.00%	1.00%	(0.05)	0.05
THB*	1.00%	1.00%	-	-
<b>31-Mar-22</b>				
USD	1.00%	1.00%	-	-
JPY	1.00%	1.00%	(1.72)	1.72
THB	1.00%	1.00%	-	-

\* There is a small impact in case of THB. However, it is appearing as Zero as the financial numbers are reported in millions.

## **Kosei Minda Aluminum Company Private Limited**

### **Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

#### **45. Hedging activities and derivatives**

There are no hedging activities and derivatives used by the Company to managed its foreign currency exposures.

#### **46 Details of dues to micro and small enterprises as defined under MSMED Act, 2006**

There is no overdue amount payable to Micro, Small and Medium Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 during the current year and previous year. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the current and previous year. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

#### **47 Pending Litigation**

For the Assessment year 2013-14 ,the Company has received an order dated 23rd February 2017 under Section 143(2) read with Section 92CA(3) ,with a Transfer pricing adjustment of Rs.189,029,841.As the Company has returned a loss,there is no tax demand , due to the Transfer pricing Adjustment.Accordingly there is no requirement for contingent liability.

For the Assessment year 2014-15 ,the Company has received an order dated 06th February 2018 under Section 143(2) read with Section 92CA(3) ,with a Transfer pricing adjustment of Rs.160,000,000.As the Company has returned a loss,there is no tax demand , due to the Transfer pricing Adjustment.Accordingly there is no requirement for contingent liability.

#### **48 Balances of sundry receivables, payables, deposit and other debit and credit balances are subject to confirmation and reconciliation. Adjustments, if any, in this regard would be carried out as and when ascertained, which in the view of the management would not be material.**

#### **49 The company prima facie does not believe that there is any impairment in the value of its fixed assets .**

#### **50 Previous year comparatives**

The Company has reclassified previous year figures wherever necessary to conform to the current year's classification.



**Notes to Financial Statements for the year ended March 31, 2023**  
(All amounts in INR Million except for share data or as otherwise stated)

**51.Ageing Schedule**

As at March 31,2023

**Trade Receivable Ageing Schedule**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	More than 3 years
(i) Undisputed Trade receivables - Considered Good	-	23,50,99,122	-	-	-
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-
(iv) Disputed Trade receivables - Considered Good	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-

**Trade Payable Ageing Schedule**

Particulars	Outstanding from following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	-	-	-	-
(ii) Others	47,49,66,165	-	-	-	47,49,66,165
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at March 31,2022

**Trade Receivable Ageing Schedule**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	More than 3 years
(i) Undisputed Trade receivables - Considered Good	40,06,64,610	53,64,718	-	-	-
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-
(iv) Disputed Trade receivables - Considered Good	-	-	-	-	-
(v) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-

**Trade Payable Ageing Schedule**

Particulars	Outstanding from following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	-	-	-	-
(ii) Others	71,85,17,092	-	-	-	71,85,17,092
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Kosei Minda Aluminum Company Private Limited****Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

**52. Ratios**

S.No	Particulars	For the period ended March 31,2023	For the period ended March 31,2022	Increase / Decrease percentage	Reasons for increase / decrease by more than 25%
1	Current Ratio	0.35	0.50	0.30	Due to increase in collection from trade receivables
2	Debt-Equity Ratio	-2.60	1.19	3.19	Due to closure of short term loans
3	Debt Service Coverage Ratio	-1.25	-0.32	-2.84	Due to closure of short term loans
4	Return on Equity Ratio	3.43	-0.31	11.99	Due to increased loss in the current year
5	Inventory Turnover Ratio	18.31	20.61	0.11	
6	Trade Receivables turnover ratio	6.76	5.08	-0.33	Increase in sales
7	Trade payables turnover ratio	2.42	1.71	-0.41	Increase in purchase
8	Net capital turnover ratio	-10.69	2.85	4.75	Due revaluation of Fixed Assets
9	Net profit ratio	-0.35	-0.11	-2.27	Due to increased loss in the current year
10	Return on Capital employed	3.55	-0.38	10.38	Decrease in total value of assets due revaluation of Fixed Assets

## **Kosei Minda Aluminum Company Private Limited**

### **Notes to Financial Statements for the year ended March 31, 2023**

(All amounts in INR Million except for share data or as otherwise stated)

#### **53. Additional regulatory Informations**

##### **Details of benami property held**

No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 during the period under audit.

##### **Utilization of borrowings**

The Company has used the borrowings from banks and financial institutions only for the specific purpose for which it was taken.

##### **Title deeds of immovable property**

All the title deeds of Immovable property are held in the Company's name.

##### **Wilful Defaulter**

The Company is not a wilful defaulter as per the Companies Act, 2013.

##### **Relationship with Struck off Companies**

The Company didn't have any transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

##### **Utilisation of Borrowed funds and share premium**

The Company was not involved in any such transaction during the period under audit.

##### **Details of crypto currency or virtual currency**

The Company has not dealt in Crypto/ Virtual currency during the year.

##### **Undisclosed income**

The Company has not surrendered any undisclosed income under Income Tax Assessment during the year under audit.

##### **Registration of charges or satisfaction with Registrar of Companies**

The Company has no charges or satisfaction to be registered with Registrar of Companies.

##### **Loans and advances to promoters, directors, KMPs, related parties**

The Company has not given any loans or advances to its promoters, directors, KMPs, related parties etc.,

##### **Valuation of PPE & intangible asset**

The Company has revalued its property, plant and equipment during the current year.

The company has not revalued its intangible assets during the current or previous year.

##### **Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

##### **Compliance with the number of layers of companies**

No non-compliances with respect to section 2(87) of the Companies Act.