

Minda Katolec Electronics Services Private Limited

Financial Statements

**Statutory Audit for the year ended
31 March 2022**



B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

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Independent Auditor's Report

To the Members of Minda Katolec Electronics Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Minda Katolec Electronics Services Private Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and 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 the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's 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.



Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

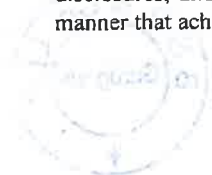
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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.



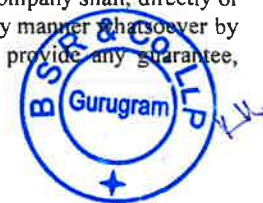
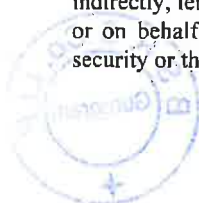
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 44 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 44 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Kanika Kohli

Partner

Membership No. 511565

UDIN: 22511565AIYIDES234

Place: New Delhi
Date: 13 May 2022



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Annexure A to the Independent Auditor's Report on the Financial Statements of Minda Katolec Electronics Services Private Limited for the year ended 31 March 2022.

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 2 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no discrepancies were noticed on such verification.
- (i) (c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (i) (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (i) (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. There were no stocks lying with third parties at the year-end and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. As informed to us, no discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.



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(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of deposits of tax deducted at source.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any-bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.



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- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(b) of the Order is not applicable.
- (c) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company had incurred cash losses of INR 148.66 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company.
Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kanika

Kanika Kohli
Partner
Membership No. 511565
UDIN: 22511565AIYIDE5234

Place: New Delhi
Date: 13 May 2022



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Annexure B to the Independent Auditor's report on the financial statements of Minda Katolec Electronics Services Private Limited for the year ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Minda Katolec Electronics Services Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Kanika Kohli

Partner

Membership No. 511565

UDIN: 22511565AIYTDE5234

Place: New Delhi

Date: 13 May 2022

Minda Katolec Electronics Services Private Limited
Balance Sheet as at 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)
CIN No. - U35999DL2017PTC315406

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-Current Assets			
Property, plant and equipment	4A	1,976.29	1,743.08
Capital work-in-progress	4A	661.91	-
Right-of-use assets	4C	2,026.68	1,365.97
Intangible assets	4B	19.61	15.39
Financial assets			
Security deposits	13	23.13	23.10
Deferred tax assets (net)	31	-	-
Intangible tax assets (net)	6	19.70	9.74
Other non-current assets	7	8.19	8.41
Total Non-Current Assets		4,725.51	3,165.69
Current Assets			
Inventories	8	4,791.50	2,779.05
Financial assets			
Trade receivables	9	2,745.46	1,515.67
Cash and cash equivalents	10	197.98	35.19
Other balances with banks	11	93.25	81.55
Other financial assets	12	165.17	165.26
Other current assets	7	853.66	845.22
Total Current Assets		8,849.92	5,401.94
TOTAL ASSETS		13,575.43	8,567.63
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	3,507.00	3,507.00
Other equity	14	(2,675.45)	(2,714.14)
Total Equity		831.55	792.86
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	1,670.54	890.57
Lease liabilities	16	2,476.92	1,702.38
Provisions	17	61.64	48.41
Total Non-Current Liabilities		4,209.10	2,641.36
Current Liabilities			
Financial liabilities			
Borrowings	15	2,520.64	1,161.05
Lease liabilities	16	2.67	2.51
Trade payables	18	-	-
(a) Total outstanding dues of micro enterprises and small enterprises		303.69	391.02
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,538.39	3,559.53
Other financial liabilities	19	33.03	30.92
Other current liabilities	20	13.92	14.61
Provisions	17	7.54	2.85
Current tax liabilities (net)	21	-	-
Total Current Liabilities		8,541.88	5,125.41
TOTAL EQUITIES AND LIABILITIES		13,575.43	8,567.63

Significant accounting policies

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No : 101248/W-100022

Kavita
Kavita Kati
Partner
Membership No: 511365
Place: New Delhi
Date: 13 May 2022

For and on behalf of the Board
Minda Katolec Electronics Services Private Limited

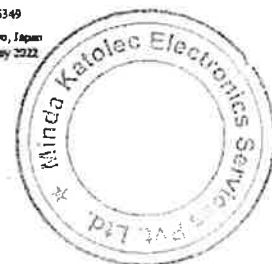
Manish
Manish Katolec
Managing Director
DIN: 02396043

Place: Pune
Date: 13 May 2022

Shyam
Shyam Singh Rathore
Company Secretary
M. No. A57411
Place: Gurugram
Date: 13 May 2022

M. Kato
Masahiro Ueda
Director
DIN: 08576349

Place: Tokyo, Japan
Date: 13 May 2022



Minda Katalec Electronics Services Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
 (All amounts in Indian Rs lakhs, unless otherwise stated)
 CIN No. - U35999DL2017PTC315486

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	21	15,021.75	10,571.39
Other income	22	3.04	33.33
Total income		15,024.79	10,604.72
Expenses			
Cost of materials consumed	23	12,157.52	9,108.07
Purchase of stock in trade	24	316.72	243.58
Changes in inventories of finished goods and work in progress	25	23.27	(157.89)
Employee benefit expenses	26	665.57	519.47
Finance costs	27	390.47	360.86
Depreciation and amortization expense	28	569.40	514.52
Other expenses	29	875.73	774.25
Total expenses		14,998.68	11,362.86
Profit before tax		28.11	(758.14)
Tax expense			
Current tax		-	-
Tax adjustment pertaining to previous years		-	-
Total tax expense		-	-
Profit (Loss) for the year		28.11	(758.14)
Other comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
-Re-measurement gains/ (losses) on defined benefit plans	30	10.58	4.84
-Income tax effect on Re-measurement gains/ (losses) on defined benefit plans		-	-
Other comprehensive income/(Loss)		10.58	4.84
Total comprehensive income/(Loss)		38.69	(753.30)
Basic earnings/ (loss) per share (in Rs.) (Face value of Rs. 10 per share)	32	0.08	(2.45)
Diluted earnings/ (loss) per share (in Rs.) (Face value of Rs. 10 per share)	32	0.08	(2.45)
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements
 As per our report of even date attached

For: BSR & Co. LLP
 Chartered Accountants
 Firm's Registration No.: 101248W/ W-100022

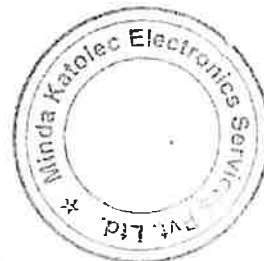
Kanika Kohli
 Partner
 Membership No: 511565
 Place: New Delhi
 Date: 13 May 2022

For and on behalf of the Board
 Minda Katalec Electronics Services Private Limited

Laxmi Kant Misra
 Managing Director
 DIN: 02398043
 Place: Pune
 Date: 13 May 2022

Masahiro Uda
 Director
 DIN: 08576349
 Place: Tokyo, Japan
 Date: 13 May 2022

Dharam Singh Rathore
 Company Secretary
 M. No. A57411
 Place: Gurugram
 Date: 13 May 2022



Minda Katotec Electronics Services Private Limited
Cash Flow Statement for the year ended 31 March 2022
(All amounts in Indian Rs lakhs, unless otherwise stated)
CIN No. - U35999DL2017PTC315486

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
CASH FLOWS FROM OPERATING ACTIVITIES :		
Profit (Loss) before tax	28.11	(758.14)
Adjustments to reconcile net profit/loss to net cash provided by operating activities:		
Depreciation and amortization expense	569.40	514.52
Finance costs	390.47	360.86
Interest income on fixed deposits and tax refund	(4.79)	(4.95)
Interest - Unwinding of discount on security deposits	(0.25)	(0.36)
Unrealised gain/(loss) on foreign currency fluctuations (net)	21.45	(90.12)
Operating profit/(loss) before net change in assets and liabilities	976.38	779.95
Net change in:		
Trade receivables	(1,229.79)	(742.22)
Inventories	(2,012.45)	(1,671.32)
Other assets and other financial assets	(7.88)	(132.65)
Trade payables	1,890.06	2,117.99
Financial liabilities, current liabilities and provisions	33.82	35.33
Cash used in operations	(1,366.23)	(392.87)
Income taxes paid	(321.84)	(371.06)
Net Cash used in operating activities (A)	(946)	(957)
CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipment and capital work-in-progress	(1,394.56)	(404.97)
Purchase of intangible assets	(8.60)	-
Fixed deposits made	(93.28)	(81.55)
Fixed deposits encashed	81.55	76.63
Interest received on fixed deposits	4.29	4.68
Net cash used in investing activities (B)	(1,410.60)	(405.21)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share capital	-	2,000.00
Repayment of lease liabilities	(128.85)	(98.40)
Repayment of long term borrowing	(334.80)	(739.73)
Proceeds from long term borrowing	1,683.09	-
Payment of Interest on overdraft and term loan	(205.11)	(219.33)
Net cash generated from financing activities (C)	1,014.33	942.55
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	(721.57)	165.71
Cash and cash equivalents at the beginning of the year	(791.96)	(957.67)
Cash and cash equivalents as at closing	(1,519.53)	(791.96)
Balances with banks:		
- on current accounts	197.98	35.19
- Bank overdraft	(1,717.51)	(827.15)
Cash and cash equivalents at the end of the year	(1,519.53)	(791.96)

Note: The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard-7 on Statement of Cash flows as notified under section 133 of the Companies Act, 2013

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/ W-100022

Kanika Kohli

Kanika Kohli

Partner

Membership No: 511565

Place: New Delhi

Date: 13 May 2022

For and on behalf of the Board

Minda Katotec Electronics Services Private Limited

Laxmi Kant Misra

Laxmi Kant Misra

Managing Director

DIN: 02598043

Place: Pune

Date: 13 May 2022

Sharan Singh Rathore

Sharan Singh Rathore

Company Secretary

M No. AS7411

Place: Gurugram

Date: 13 May 2022

M. Kab

Masabiro Uda

Director

DIN: 08576349

Place: Tokyo, Japan

Date: 13 May 2022



Minda Katolec Electronics Services Private Limited
Statement of Changes in equity for the year ended 31 March 2022
(All amounts in Indian Rs lakhs, unless otherwise stated)
CIN No. - U35999DL2017PTC315486

(a) Equity share capital (refer note 13)

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	No. of Shares	Amount
Balance as at 31 March 2020	15,070,000	1,507.00
Issue of share capital*	20,000,000	2,000.00
Balance as at 31 March 2021	35,070,000	3,507.00
Balance as at 31 March 2022	35,070,000	3,507.00

*The Company issued 20,00,00,000 fully paid equity shares of face value of ₹ 10 each on rights basis to eligible equity shareholders of the Company for cash at a price of ₹10 per fully paid shares as on 9 June 2020 (record date).

(b) Other equity (refer note 14)

Particulars	Reserves and Surplus	Other comprehensive income	Total equity
	Surplus/(loss) in the Statement of Profit and Loss	Remeasurement gain / (loss) of defined benefit plan	
Balance as at 1 April 2020	(1,960.84)	-	(1,960.84)
Loss for the period	(758.14)	-	(758.14)
Other comprehensive income	-	4.84	4.84
Transfer of other comprehensive income	4.84	(4.84)	-
Balance as at 31 March 2021	(2,714.14)	-	(2,714.14)
Profit for the period	28.11	-	28.11
Other comprehensive income	-	10.58	10.58
Transfer of other comprehensive income	10.58	(10.58)	-
Balance as at 31 March 2022	(2,675.45)	-	(2,675.45)

Significant accounting policies

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The notes referred to above form an integral part of the financial statements

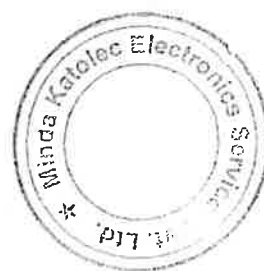
As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kanika
Kanika Kohli
Partner
Membership No: 511565
Place: New Delhi
Date: 13 May 2022

For and on behalf of the Board
Minda Katolec Electronics Services Private Limited

Laxmi Kant Misra Managing Director
DIN: 02398043
Place: Pune
Date: 13 May 2022
Masahiro Uda Director
DIN: 08576349
Place: Tokyo, Japan
Date: 13 May 2022

Dharam Singh Rathore
Company Secretary
M No A57411
Place: Gurugram
Date: 13 May 2022



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022

1. Corporate information

Minda Katolec Electronics Services Private Limited ("the Company") is a private limited company incorporated on 03 April 2017 under the provisions of the Companies Act, 2013. The Company is a joint venture between Minda Industries Limited and Katolec Corporation (Japan). The Company is primarily involved in the manufacturing of auto components including electrical parts and its accessories.

The registered office of the Company is located at B-64/1, Wazirpur Industrial Area, Delhi - 110052.

The financial statement of the company for the year ended 31 March 2022 are authorised for issue in accordance with a resolution of the Board of Directors on 13 May 2022.

2. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The financial statements for the year ended 31 March 2022 have been prepared as per the requirements of Schedule III of the Companies Act, 2013.

The accounting policies are applied consistently to all the periods presented in the financial statements.

Details of the Company's accounting policies are included in Note 3.

(b) Functional and presentation currency

These financial statements are presented in Indian rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs up to two place of decimal, unless otherwise indicated.

(c) Basis of measurement

The financial statements have been prepared in accordance with the historical cost basis except for the following items:

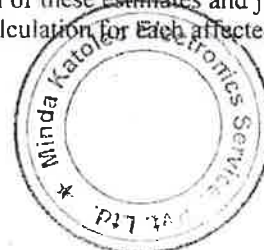
Items	Measurement Basis
(a) Net defined benefit (asset)/ liability	Present value of defined benefit obligations
(b) Other financial assets and liabilities	Amortised cost

(d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.



Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of income tax (current and deferred) – Note 30 and 31

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

- Estimated useful life of intangible assets – Note 4B

The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

- Estimated useful life and residual value of property, plant and equipment–Note 4A

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets except certain plant and equipment on which depreciation is provided on written down value basis. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

- Estimation of defined benefit obligation – Note 34

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. 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 and mortality rates. 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.

(e) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised 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 and 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 liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised 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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

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(f) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification as per the operating cycle. Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liability as current and non-current.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realized within twelve months after the reporting period, or
- d) 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.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

3. Significant accounting policies

a. Foreign currency transactions

i. Initial recognition and settlement

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in the statement of profit or loss.

ii. Measurement at reporting date

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 the statement of profit or loss.

b. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

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i. 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.

ii. Classification and subsequent measurement

Financial assets

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

- a. **Amortised 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 profit and loss.

Any gain or loss or derecognition is are recognized in profit or loss.

- b. **FVTPL :-** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. 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.

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.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

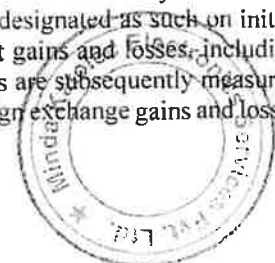
Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of profit or loss.

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 the Statement of profit or loss. Any gain or loss on derecognition is recognized in the Statement of 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 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

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are recognized in the statement of profit or loss. Any gain or loss on derecognition is also recognized in the Statement of profit or loss.

iii. 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 recognized 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 the Statement of profit or loss.

iv. 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.

v. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by In AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

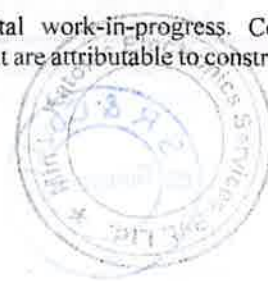
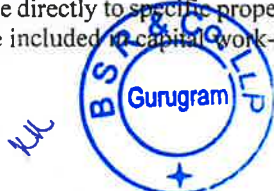
c. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Property, plant and equipment under construction are disclosed as capital work-in-progress. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general are included in capital work-in-progress.



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment under construction are disclosed as capital work-in-progress. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general are included in capital work-in-progress.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation on items of property, plant and equipment (except plant and equipment including tools and dies) is provided as per straight-line method (SLM) basis, as per useful life of the assets estimated by the management, which is equal to the useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation on plant and equipment including tools and dies is provided as per written down method (WDV) basis as per useful life prescribed under Schedule II except in the case of tools and dies, where the life is based on technical evaluation and assessment.

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

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

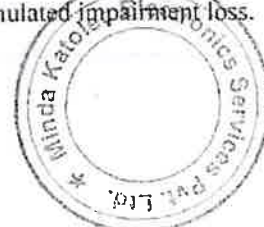
Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Management estimate of useful life (years)
Plant and machinery	15/ 10
Office Equipment	05
Computer Hardware	03
Furniture	10

d. Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.



Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Amortization

Amortization is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method (SLM), and is included in amortization expense in the Statement of profit or loss.

i) Computer software: Amortized over a period of 6 years.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset 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.

e. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all cost of purchase (net of recoverable taxes, where applicable), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The basis of determining costs for various categories of inventories are as follows: -

Raw materials, components, stores and spares and loose tools	-	Weighted average cost
Work-in-progress and finished goods	-	Material cost plus appropriate share of labour, manufacturing overheads.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.



f. Impairment

i. 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.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- The disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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. The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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.

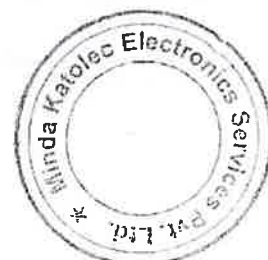
When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both 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.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that 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 recognised in the statement of profit and loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

g. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

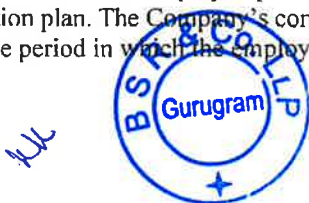
h. Employee benefits

(i) 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 recognised for the amount expected to be paid e.g., under short-term cash bonus, if 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.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and ESI to Government administered fund which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.



(iii) Defined benefit plan

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation is present value of the defined benefit obligation for the eligible employees at the end of the reporting period.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (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.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

i. Provisions and contingencies

(i) Provisions

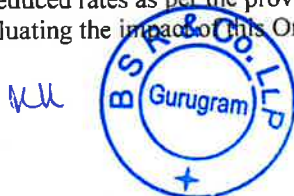
A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Provisions are determined by discounting the expected future cash flows 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 recognised as finance cost.

(ii) Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

j. Taxes

The Government of India, on September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which gives option to the Company to pay Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is in the process of evaluating the impact of this Ordinance.



Current income tax

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

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

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is recognized 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 recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized 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 recognized, are reviewed at each reporting date and are recognized/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.

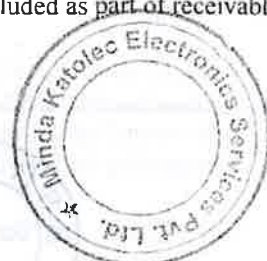
Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



k. Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

a) Revenue from the sale of product is recognized upfront at the point in time when the product is delivered to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

b) Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

c) Interest Income is recognized using the effective interest method.

Revenue from related party is recognized based on transaction price which is at arm's length.

Use of significant judgments in revenue recognition:

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgments to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

l. Leases

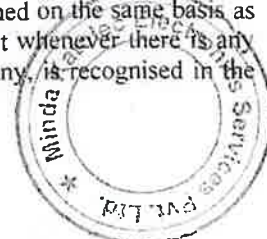
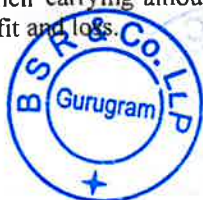
A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease/non-lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date.

The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022

The Company presents right-of-use assets separately in 'non-current assets' and lease liabilities in 'financial liability' in the balance sheet. The lease payments have been classified as financing cash flows.

m. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions. The carrying amount of property, plant and equipment is reduced by the amount of such government grant received by the company.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

o. Contingent liability

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements

p. Contingent assets

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

q. Segment reporting

An operating segment is a component 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 other components, and for which discrete financial information is available.

The Company is engaged in the business of manufacturing of automotive parts and accessories. Accordingly, the Company's activities/ business is reviewed regularly by the Company's Board of directors from an overall business perspective, rather than reviewing its products/services as individual standalone components.

Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format.

r. Cash and cash equivalents

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

s. Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022. The Company is evaluating the effect of the amendments on its financial statements.

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Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

4A Property, plant and equipment and capital work-in-progress (refer notes below)

Particulars	Plant and machinery	Office equipment	Computer	Furniture	Total	Capital work-in-progress	Grand total
Balance at 1 April 2020							
Additions	2,312.03	5.48	46.79	-	2,364.30	22.55	2,386.85
Deductions/ Adjustments	292.82	-	8.03	17.95	318.80	-	318.80
Transfer/disposal	-	-	-	-	-	-	-
Balance at 31 March 2021	2,604.85	5.48	54.82	17.95	2,683.10	(22.55)	2,683.10
Balance at 1 April 2021							
Additions	2,604.85	5.48	54.82	17.95	2,683.10	-	2,683.10
Deductions/ Adjustments	685.82	-	10.76	36.07	732.65	661.91	1,394.56
Transfer/disposal	-	-	-	-	-	-	-
Balance at 31 March 2022	3,290.67	5.48	65.58	54.02	3,415.75	661.91	4,077.66
Balance at 1 April 2020							
Depreciation for the year	463.61	1.48	14.22	-	479.31	-	479.31
Disposals	447.02	1.02	12.45	0.22	460.71	-	460.71
Balance at 31 March 2021	910.63	2.50	26.67	0.22	940.02	-	940.02
Balance at 1 April 2021							
Depreciation for the year	910.63	2.50	26.67	0.22	940.02	-	940.02
Disposals	485.99	1.05	9.43	2.97	499.44	-	499.44
Balance at 31 March 2021	1,396.62	3.55	36.10	3.19	1,439.46	-	1,439.46
Net carrying amounts							
At 31 March 2021	1,694.22	2.98	28.15	17.73	1,743.08	-	1,743.08
At 31 March 2022	1,894.05	1.93	29.48	50.83	1,976.29	661.91	2,638.20

Notes:

- a) The government has sanctioned a grant to the Company under Modified Special Incentive Package Scheme (M-SIPS) as at 31 March 2022 amounting to Rs. 520.58 lakhs (31 March 2021: Rs. 520.58 lakhs). The amount of additions in property, plant and equipments is disclosed after netting off of such grant.

1 Capital work in progress ageing schedule

As at 31 March 2022

(a) For Capital-work-in-progress ageing schedule shall be given

Particulars	Amount in CWIP for a period of			Total
	<1 year	1-2 years	2-3 years	
- Projects in progress	661.91	-	-	661.91
- Projects temporarily suspended	-	-	-	-
Total	661.91	-	-	661.91



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Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

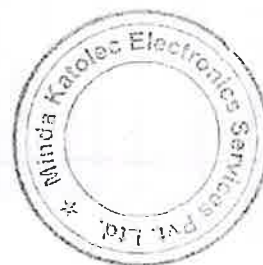
4B Intangible assets

Particulars	Computer Software
Gross carrying amount	
Balance at 1 April 2019	18.17
Additions	5.82
Balance at 31 March 2020	23.99
Additions	-
Balance at 31 March 2021	23.99
Additions	8.60
Balance at 31 March 2022	32.59
Accumulated depreciation	
Balance at 1 April 2019	0.57
Amortisation for the period	3.73
Balance at 31 March 2020	4.30
Amortisation for the period	4.30
Balance at 31 March 2021	8.60
Amortisation for the period	4.38
Balance at 31 March 2022	12.98
Net carrying amounts	
At 31 March 2020	19.69
At 31 March 2021	15.39
At 31 March 2022	19.61

4C Right-of-use assets

Particulars	Plant & Machinery*	Buildings	Total
Gross Carrying Amount			
Balance as at 31 March 2020	-	1,808.81	1,808.81
Balance as of 1 April, 2020	-	1,808.81	1,808.81
Additions during the year	62.23	-	62.23
Deductions/ Adjustments	-	(391.55)	(391.55)
Balance as at 31 March 2021	62.23	1,417.26	1,479.49
Balance as of 1 April, 2021	62.23	1,417.26	1,479.49
Additions during the year	-	726.29	726.29
Deductions/ Adjustments	-	-	-
Balance as at 31 March 2022	62.23	2,143.55	2,205.78
Accumulated depreciation			
Balance as at 31 March 2020	-	64.33	64.33
Balance as at 1 April, 2020	-	64.33	64.33
Amortisation for the year#	0.69	48.50	49.19
Disposals/Adjustment	-	-	-
Balance as at 31 March 2021	0.69	112.83	113.52
Balance as at 1 April, 2021	0.69	112.83	113.52
Amortisation for the year	4.15	61.43	65.58
Disposals/Adjustment	-	-	-
Balance as at 31 March 2022	4.84	174.26	179.10
Net carrying amount			
As at 31 March 2020	-	1,744.48	1,744.48
As at 31 March 2021	61.54	1,304.43	1,365.97
As at 31 March 2022	57.39	1,969.29	2,026.68

* ROU Plant & Machinery includes lease for Solar Plant usage- Refer Note 5



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

5 Leases

The Company has entered into commercial leases on Solar Plant usage and Building. Leases entered for Solar Plant usage has life of 15 years. There are no restrictions placed upon the Company by entering into these leases. The Company has availed the following exemptions available as per Ind AS 116 –

- The Company has certain leased residential houses for expats which has lease period of 11 months. The Company has opted for the exemption of short term leases.
- The Company has also hired certain printers. Since, these printers original value can be considered insignificant, the management has availed the benefit of low value lease exemption for the same.

The Company has elected to apply practical expedient for not to separate non-lease components from lease components while accounting for right of use of plant and machinery.

(i) Following are the changes in the carrying value of right-of-use assets for the year ended 31 March 2022 :

Particulars	Plant & Machinery	Buildings
Balance at 1 April 2020	-	1,744.48
Additions to right-of-use assets	62.23	
Deletions/adjustments	-	(391.55)
Depreciation charge for the year	(0.69)	(48.50)
Balance at 31 March 2021	61.54	1,304.43
Additions to right-of-use assets	-	726.29
Depreciation charge for the year	(4.15)	(61.43)
Balance at 31 March 2022	57.39	1,969.29

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

(ii) The following is the breakup of current and non-current lease liabilities as at 31 March 2022 :

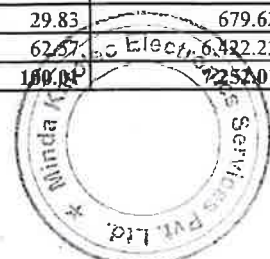
Particulars	As at 31 March 2022	As at 31 March 2021
Non - Current lease liabilities	2,479.59	1,702.38
Current lease liabilities	2.67	2.51
Total	2,482.26	1,704.89

(iii) The following is the movement in lease liabilities during the year ended 31 March 2022:

Particulars	Amount
Balance at 1 April 2020	1,978.56
Opening Balance	1,978.56
Additions	62.23
Finance cost accrued during the period	154.05
Adjustments during the period	(391.55)
Repayment of lease liabilities	(98.40)
Balance at 31 March 2021	1,704.89
Opening Balance	1,704.89
Additions	726.29
Finance cost accrued during the period	177.26
Adjustments during the period	-
Repayment of lease liabilities	(128.85)
Balance at 31 March 2022	2,479.59

(iv) The table below provides details regarding future lease payments as at 31 March 2022 on undiscounted basis :

Particulars	Plant & Machinery	Buildings
Not later than 1 year	7.61	150.16
Later than 1 year but not later than 5 years	29.83	679.62
More than 5 year	62.57	642.23
Total	100.01	1,472.01



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

6 Income tax assets (net)	As at 31 March 2022	As at 31 March 2021
Advance income tax (including taxes deducted at source and tax collected at source)	19.70	9.74
	<u>19.70</u>	<u>9.74</u>
7 Other assets (Unsecured, considered good unless otherwise stated)	As at 31 March 2022	As at 31 March 2021
Non-current		
Prepaid expense	8.19	8.41
	<u>8.19</u>	<u>8.41</u>
Current		
Balances with government authorities	794.31	831.36
Prepaid expense	12.61	12.67
Advances to employees	1.23	1.19
Advances to Suppliers	45.51	-
	<u>853.66</u>	<u>845.22</u>
8 Inventories (Valued at the lower of cost and net realisable value)	As at 31 March 2022	As at 31 March 2021
Raw materials [Goods in transit Rs. 134.31 Lakhs(31st Mar 2021 Rs. 0.14 Lakhs)	4,429.57	2,433.83
Work-in-progress	103.63	108.49
Finished goods	172.95	191.36
Stores, spares and consumables	63.55	41.41
Loose tools	21.80	3.96
	<u>4,791.50</u>	<u>2,779.05</u>
9 Trade receivables (Unsecured, considered good unless otherwise stated)	As at 31 March 2022	As at 31 March 2021
Trade receivables from contract with customers – related parties (Refer 36)	2,574.75	1,429.33
Receivables from others	170.71	86.34
	<u>2,745.46</u>	<u>1,515.67</u>

Notes:

- a) The Company's exposure to market risk, liquidity risk and credit risks related to the above assets is disclosed in note 37.
b) Refer note 15 for information regarding security given against all borrowings including trade receivables.

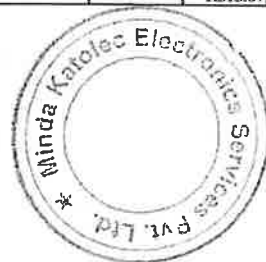
1 Trade receivables Ageing Schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment#						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,743.80	984.09	17.57	-	-	-	2,745.46
Total	1,743.80	984.09	17.57	-	-	-	2,745.46

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment#						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,437.63	77.31	-	0.73	-	-	1,515.67
Total	1,437.63	77.31	-	0.73	-	-	1,515.67



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

10 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks	197.98	35.19
On current accounts		
	<u>197.98</u>	<u>35.19</u>
a) Cash and cash equivalents as per cash flow statement :		
Cash and cash equivalents as per balance sheet	197.98	35.19
Bank overdrafts (refer note 15)	(1,717.51)	(827.15)
	<u>(1,519.53)</u>	<u>(791.96)</u>

11 Other balances with banks

	As at 31 March 2022	As at 31 March 2021
Fixed deposits (maturity within 12 months of the reporting date) (refer note below)	93.25	81.55
	<u>93.25</u>	<u>81.55</u>

12 Other financial assets

	As at 31 March 2022	As at 31 March 2021
Non- Current		
Security deposits	23.13	23.10
	<u>23.13</u>	<u>23.10</u>
Current		
Interest accrued on fixed deposits	1.97	2.06
Others:		
Government grants	163.20	163.20
	<u>165.17</u>	<u>165.26</u>

13 Equity share capital

(a) Authorised share capital
 35,070,000 (35,070,000) equity shares of Rs. 10 each

	3,507.00	3,507.00
	<u>3,507.00</u>	<u>3,507.00</u>

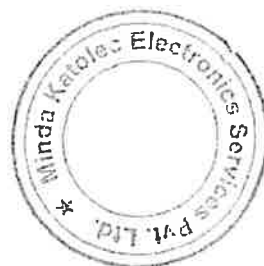
(b) Issued, subscribed and fully paid up
 Equity share capital

35,070,000 (35,070,000) equity shares of Rs. 10 each

	3,507.00	3,507.00
	<u>3,507.00</u>	<u>3,507.00</u>

(c) Reconciliation of outstanding equity shares at the beginning and at the end of the reporting period

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning and end of the year	35,070,000	3,507.00	15,070,000	1,507.00
Add: issued during the period	-	-	20,000,000	2,000.00
Balance at the beginning and end of the year	<u>35,070,000</u>	<u>3,507.00</u>	<u>35,070,000</u>	<u>3,507.00</u>



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

(d) Details of shares held by shareholders holding more than 5% shares of the aggregate shares in the company

Class of shares / Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs. 10 each fully paid				
Minda Industries Limited (including nominee shareholders) India (holding company)	17,885,700	51.00%	17,885,700	51.00%
Katolec Corporation, Japan	17,184,300	49.00%	17,184,300	49.00%

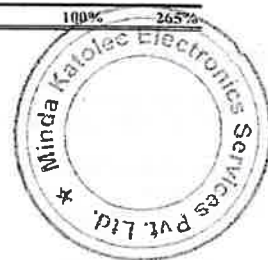
Details of shares held by promoters

As at 31 March 2022

S. No.	Promoter Name	No. of shares at 01 Apr 2021	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	Minda Industries Limited	17,885,700	-	17,885,700	51%	-
2	Katolec Corporation	17,184,300	-	17,184,300	49%	-
Total		35,070,000	0.00	35,070,000	100%	0%

As at 31 March 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1	Minda Industries Limited	7,685,700	10,200,000	17,885,700	51%	133%
2	Katolec Corporation	7,384,300	9,800,000	17,184,300	49%	133%
Total		15,070,000	20,000,000	35,070,000	100%	265%



Minda Katotec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

(e) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares having par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/her share of the paid up equity share capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently has not been paid. Failure to pay any amount called up on shares may lead to forfeiture. On winding up of the Company, the holders of the equity shares will be entitled to receive assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(f) There are no shares reserved for issue under options and contracts/commitments for sale of shares/ disinvestment.

(g) There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

14 Other equity*

	As at 31 March 2022	As at 31 March 2021
Retained earnings	(2,675.45)	(2,714.14)
Total	(2,675.45)	(2,714.14)

* For movement in other equity, refer Statement of changes in equity.

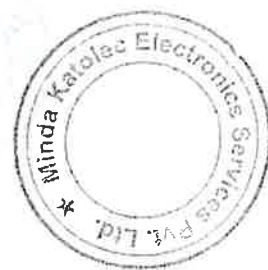
15 Borrowings

	As at 31 March 2022	As at 31 March 2021
Non-current		
Term loans From banks (secured)	2,573.67	1,225.37
Less: Current maturities of long term borrowings disclosed under current borrowings	903.13	334.80
	1,670.54	890.57
Current		
Loans repayable on demand		
from banks (secured)	1,717.51	827.15
Current maturities of long term borrowings	903.13	334.80
	2,620.64	1,161.95

(i) The companies exposure to currency, liquidity and interest risks related to the above liabilities is disclosed in note 37.

Movement in financial liabilities

	Cash and Bank overdrafts	Borrowings
As at 1st April 2020	(957.67)	1,986.40
Cash flows	165.71	(739.73)
Interest expenses	-	206.81
Interest paid	-	(219.32)
As at 31 March 2021	(791.96)	1,234.16
Cash flows	(727.57)	1,348.29
Interest expenses	-	213.21
Interest paid	-	(205.11)
As at 31 March 2022	(1,519.53)	2,590.55



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

Particulars	Terms of repayment and rate of interest	As at	As at
		31 March 2022	31 March 2021
Term loan from HDFC Bank Ltd: Secured by exclusive hypothecation on stock in trade, book debts and receivables, plant and machinery, fixed deposits and movable assets (both present and future).	Rate of interest at 7.95 % on 31st March 2022. Total loan sanctioned amounting to Rs. 1,507 lakhs availed in previous year for fund based having tenure of 5 years including moratorium of 6 months.	890.57	1,225.37
Working Capital term loan from HDFC Bank Ltd: Secured by 100% guarantee from NCGTC (National credit guarantee trustee company ltd, ministry of finance, Govt of india)	Rate of interest at 7.50% on 31st March 2022. Total loan sanctioned amounting to Rs. 492 lakhs having tenure of 4 year including moratorium 12 Months	492.00	-
Cash Credit from HDFC Bank Ltd: Secured by exclusive hypothecation on stock in trade, book debts and receivables, plant and machinery, fixed deposits and movable assets (both present and future).	Rate of interest at 7.5% on 31st March 2022 and is repayable on demand.	260.20	19.49
Buyer's Credit from HDFC Bank Ltd: Secured by exclusive hypothecation on stock in trade, book debts and receivables, plant and machinery, fixed deposits and movable assets (both present and future).	Rate of interest at SOFR+250 basis points on 31st March 2022 and is repayable on demand.	457.31	367.62
Bills Payable from HDFC Bank Ltd: Secured by exclusive hypothecation on stock in trade, book debts and receivables, plant and machinery, fixed deposits and movable assets (both present and future).	Rate of interest at 8.45 % on 31st March 2022 and is repayable on demand.	-	440.04
SMBC - Long Term Loan Under Katolec corporation, Japan corporate guarantee.	Rate of interest at 7.00 % on 31st March 2022 and is repayable on demand.	1,191.09	-
SMBC - Short Loan Under Katolec corporation, Japan corporate guarantee.	Rate of interest at 6.25 % on 31st March 2022 and is repayable on demand.	1,000.00	-
Total		4,291.17	2,052.52

16 Lease liabilities

	As at 31 March 2022	As at 31 March 2021
Non current lease liability	2,476.92	1,702.38
Current lease liability	2.67	2.51
(refer note 5)	<u>2,479.59</u>	<u>1,704.89</u>



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

17 Provisions

	As at 31 March 2022	As at 31 March 2021
Non-current		
Provision for employee benefits (refer note 34)		
Provision for gratuity	47.63	32.95
Provision for compensated absences	14.01	15.46
	<u>61.64</u>	<u>48.41</u>
Current		
Provision for employee benefits (refer note 34)		
Provision for gratuity	0.65	0.41
Provision for compensated absences	6.89	2.44
	<u>7.54</u>	<u>2.85</u>

18 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables from related parties (refer note 36)	-	-
Total outstanding dues of micro enterprises and small enterprises	25.10	16.31
Total outstanding dues of related party other than micro enterprises and small enterprises	649.13	234.38
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note below)	278.59	374.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,909.26	3,325.17
	<u>5,862.08</u>	<u>3,950.57</u>

Notes:

(a) The Company's exposure to market risk, liquidity risk and credit risks related to the above liabilities is disclosed in note 37.

I Trade payables Ageing Schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	288.30	15.39	-	-	-	303.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,527.53	30.33	0.53	-	-	5,558.39
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	5,815.83	45.72	0.53	-	-	5,862.08

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	179.82	183.02	-	-	-	362.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,517.13	1,070.60	-	-	-	3,587.73
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	2,696.95	1,253.62	-	-	-	3,950.57



Minda Katolec Electronics Services Private Limited

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

(All amounts in Indian Rs. lakhs, unless otherwise stated)

(b) Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006. (Refer below)
Based on the information available from the vendors, the Company has identified and disclosed information under the Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

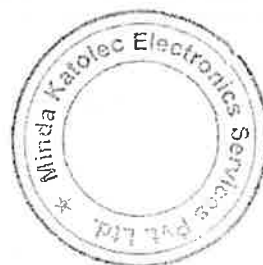
Particulars	As at 31 March 2022	As at 31 March 2021
The amounts remaining unpaid to suppliers as at the end of the year		
- Principal	132.84	391.02
- Interest	2.36	2.02
The amount of payments made to the supplier under the Act beyond the appointed day during the year	216.30	-
The amount of interest paid by the buyer under the act beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	3.07	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	7.45	2.02
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Act.	-	-

19 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Interest accrued on borrowing	16.89	8.79
Interest accrued on others	7.45	2.02
Employee related payable	10.69	10.11
	<u>35.03</u>	<u>20.92</u>

20 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Statutory dues	13.92	14.61
	<u>13.92</u>	<u>14.61</u>



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

21 Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products		
- Finished goods	14,630.33	10,263.50
- Traded goods	331.67	249.89
Other operating revenues		
- Scrap sales	23.90	8.61
- Development cost recovery	35.85	49.39
	15,021.75	10,571.39
22 Other income	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on fixed deposits	4.29	4.68
Net gain on foreign currency fluctuations	-	28.02
Unwinding of discount on security deposits	0.25	0.36
Other non-operating income:		
- Interest on income tax refund	0.50	0.27
	5.04	33.33
23 Cost of materials consumed	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials consumed (including packing materials)		
Inventory at the beginning of the year	2,433.83	943.29
Add : Purchases during the year	14,018.95	10,598.47
Less : Inventory at the end of the year	4,295.26	2,433.69
	12,157.52	9,108.07
24 Purchase of stock in trade	For the year ended 31 March 2022	For the year ended 31 March 2021
- Traded goods	316.72	243.58
	316.72	243.58



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

25 Changes in inventories of finished goods and work in progress	For the year ended 31 March 2022	For the year ended 31 March 2021
Stock at the end of the period:		
Work-in-progress	103.63	108.49
Finished goods	172.95	191.36
	<u>276.58</u>	<u>299.85</u>
Stock at the beginning of the period:		
Work-in-progress	108.49	44.34
Finished goods	191.36	97.62
	<u>299.85</u>	<u>141.96</u>
Net (increase)/ decrease in stock	<u>23.27</u>	<u>(157.89)</u>
26 Employee benefit expenses	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	587.33	471.25
Contribution to provident and other funds	31.68	19.69
Staff welfare expense	46.56	28.53
	<u>665.57</u>	<u>519.47</u>
27 Finance costs	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on		
- Overdraft	94.52	77.81
- Term loans	118.69	129.00
- Lease liabilities	177.26	154.05
	<u>390.47</u>	<u>360.86</u>
28 Depreciation and amortisation expense	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment (refer note 4A)	499.44	460.71
Amortisation on intangible assets (refer note 4B)	4.38	4.30
Amortisation on right-of-use assets (refer note 4C)	65.58	49.51
	<u>569.40</u>	<u>514.52</u>



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

29 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores and spare parts	118.22	138.41
Casual labour	146.89	144.07
Power and fuel	144.82	120.56
Rent	11.57	13.21
Repairs and maintenance	30.55	19.87
Rates and taxes	1.59	21.12
Travelling and conveyance	71.92	68.82
Legal and professional charges	52.26	41.99
SAP license fee & other charges	27.55	13.50
Insurance	17.59	11.02
Net loss on foreign currency fluctuations	91.03	-
Housekeeping expenses	20.67	14.54
Security expenses	21.28	15.82
Interest cost	3.04	4.03
Freight and other distribution overheads	36.18	53.03
Printing and stationery	4.81	4.10
Payment to auditors*	17.01	16.53
Directors sitting fees	7.00	4.55
Bank charges	2.52	1.93
Job work Charges	12.73	52.52
Miscellaneous expenses	36.50	14.63
	875.73	774.25

* Payments to auditors (excluding Goods and service tax)

Statutory audit	13.00	12.00
Other services	3.00	3.00
Reimbursement of expenses	1.01	1.53
	17.01	16.53

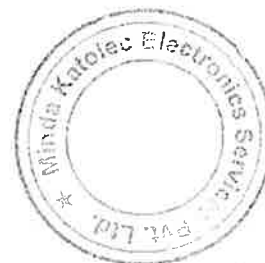
30 Income taxes :

A Amount recognised in Statement of Profit and Loss

Current tax	-	-
Deferred tax asset (net)	-	-
Tax expense	-	-

B Income tax recognised in other comprehensive income

	Before tax	As at 31 March 2022 Tax (expense)/	Net of tax
Remeasurements of defined benefit liability (asset)	10.58	-	10.58
	10.58	-	10.58



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

C Reconciliation of effective tax rate

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	28.11	(758.14)
Enacted tax rates in India	0.26	0.26
Computed tax expense	7.31	(197.11)
Tax effect of expenses that are not deductible for tax purposes	68.39	52.96
Deferred tax assets	(75.70)	144.15

Income tax expense

0.00	0.00
-------------	-------------

31 Deferred tax assets (net)

As at 31 March 2022	As at 31 March 2021
------------------------	------------------------

Deferred tax assets are attributable to the following:

- deduction allowable	-	-
- Expenditure covered by section 43B	21.98	13.33
- Carried forward business loss and unabsorbed depreciation	707.19	589.74
- Excess disallowance for Right-of-use assets	132.68	77.03
- Excess disallowance for amortisation of security deposit	0.18	0.19

Deferred tax liabilities are attributable to the following:

- Depreciable assets	(234.08)	(139.10)
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Deferred tax assets (net)

627.95	541.19
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Deferred tax assets not recognised*

(627.95)	(541.19)
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Deferred tax assets (net)

-	-
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*Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilized. Hence, management has not recognised deferred tax asset considering the carried forward losses and no probable taxable profits in near future.

32 Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting impact on profit of dilutive potential equity shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

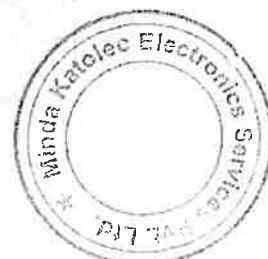
Particulars

For the year ended 31 March 2022	For the year ended 31 March 2021
-------------------------------------	-------------------------------------

Net loss after tax as per Statement of Profit and Loss	28.11	(758.14)
Net loss attributable to equity shares for basic and diluted earnings	28.11	(758.14)

Weighted average number of equity shares :

for Basic EPS	35,070,000	30,905,616
for Diluted EPS	35,070,000	30,905,616
Basic earnings/ (loss) per share of Rs. 10 each (in Rs.)	0.08	(2.45)
Diluted earnings/ (loss) per share of Rs. 10 each (in Rs.)	0.08	(2.45)



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

33 Capital commitments and contingent liabilities

(a) Capital commitments (net of advance)

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to Rs. 158.66 lakhs (31 March 2021: Rs. Nil lakhs)

(b) Contingent liabilities

The Company has availed MSIP Incentive from the Ministry of Electronics as at 31 March 2022 amounting to Rs. 520.58 lakhs (31 March 2021 : Rs. 520.58 lakhs). In accordance with the MSIP guidelines, the amount may be refundable to the Government if the specified conditions are not fulfilled within the prescribed time.

(c) There are no litigations as at 31 March 2022.

34 Employee benefits

(a) Assets and liabilities relating to employee benefits

	As at 31 March 2022	As at 31 March 2021
Non-current		
Gratuity (refer note 17)	47.63	32.95
Compensated absence	14.01	15.46
	61.64	48.41
Current		
Gratuity (refer note 17)	0.65	0.41
Compensated absence	6.89	2.44
	7.54	2.85

(b) Defined benefit plans

The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972. The scheme provides for a lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields falls the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Funding

This is an unfunded benefit plan for qualifying



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

Reconciliation of the net defined benefit (asset) / liability
Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	33.36	19.40
Current service cost	11.35	7.64
Interest cost	2.27	1.33
Benefits paid	(6.48)	(6.58)
Actuarial (gain)/ loss recognised in other comprehensive income		
- experience adjustments	(1.74)	(4.35)
- changes in financial assumptions	(3.14)	0.32
Transfer in liability*	12.66	15.60
Balance at the end of the year	48.28	33.36

* few employees transferred from other group companies, the liability on account of gratuity for employee upto date of transfer will be borne by the respective companies.

Expense recognised in Statement of Profit and Loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	11.35	7.64
Interest cost	2.27	1.33
	13.62	8.97

Remeasurements recognised in other comprehensive income

	(4.88)	(4.04)
Actuarial (gain) / loss arising during the year		
	8.74	4.93

Defined benefit obligations

	As at 31 March 2022	As at 31 March 2021
Actuarial assumptions		
Discount rate (per annum)	7.20%	6.80%
Future salary growth rate (per annum)	8.00%	8.00%
Attrition rate:		
upto 30 years	3.00%	3.00%
from 31- 44 years	2.00%	2.00%
above 44 years	1.00%	1.00%
Assumptions regarding future mortality are based on Indian Assured Lives Mortality	(IALM) (2012-14) rates.	(IALM) (2012-14) rates.

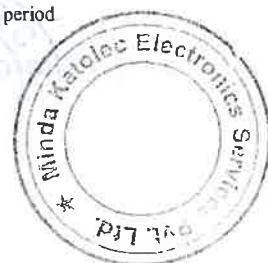
Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	41.49	56.68	27.65	40.56
Future salary growth rate (1% movement)	56.53	41.48	40.40	27.66
Attrition rate (50% of attrition rates)	47.53	49.11	32.42	34.41
Mortality rate (10% of mortality rates)	48.27	48.30	33.34	33.38

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

Expected benefit payments

Undiscounted amount of expected benefit payments for next 10 years are as follows:

	As at 31 March 2022	As at 31 March 2021
Within 1 year	0.65	0.41
2-5 years	4.06	2.59
6-10 years	21.84	4.19
More than 10 years	162.22	139.15

(c) Defined contribution plans

The Company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provident fund	28.87	17.74
Employees' state insurance scheme	2.81	1.95
	31.68	19.69

In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on legal advice the Company has made a provision for provident fund contribution from the date of Supreme Court order.

35 Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available, that is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assessing performance. The Company's CODM is the Board of Directors and the Company has only one reportable business segment i.e. Automotive Electrical parts and related development services since the risk and rewards from these activities are not different from one another. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

Entity wide disclosure details as per Ind AS 108 on operating segments are given below:

The following table shows the distribution of the Company's operating revenue by geographical location of customers, regardless of where the goods were produced/services were rendered from:

Particulars		As at 31 March 2022	As at 31 March 2021
Revenue from operations	Within India	15,021.75	10,571.39
	Outside India	-	-

Information about major customers (from external customers)

Revenue from customer which is more than 10% of Company's total revenue:

Customer*	For the year ended 31 March 2022	For the year ended 31 March 2021
Customer A	8,352.41	4,879.09
Customer B	3,036.97	2,756.34
Customer C	2,262.55	1,123.30

*The Company has opted not to disclose the identity of the customer.

The following table shows the carrying amounts of non-current segment assets by geographical area in which the assets are located:

Particulars		As at 31 March 2022	As at 31 March 2021
Non-current assets	Within India	4,735.51	3,165.69
	Outside India	-	-



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022

(All amounts in Indian Rs. lakhs, unless otherwise stated)

36 Related party disclosures

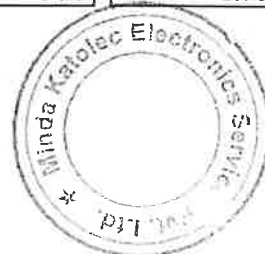
In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

(a) Related parties and the nature of related party

Nature of related party relationship	Name of related party
Holding Company	Minda Industries Limited
Enterprise having significant influence	Katolec Corporation, Japan
Fellow subsidiaries with whom transactions have taken place during the year	Mindarika Private Limited Minda Rinder Private Limited (amalgamated with Minda Industries Limited w.e.f. 1 August 2020) Mitil Polymer Private Limited
Key management personnel	Mr. Kenichi Okamoto (appointed w.e.f. 3 April 2017) Ms. Paridhi Minda (appointed w.e.f. 1 November 2018) Mr. Masahiro Uda (appointed w.e.f. 8 October 2019) Mr. Amit Kumar Jain (ceased to be Director w.e.f. 30 April 2021) Mr. Ravi Mehra (appointed w.e.f. 1 May 2021) Mr. K.N. Sureshkumar (ceased to be Director w.e.f. 30 April 2021) Mr. Laxmi Kant Misra, Managing Director (appointed w.e.f. 1 May 2021) Mr. Keiji Nakajima (ceased to be Director w.e.f. 26 September 2021) Mr. Hidehito Araki (appointment w.e.f. 27 September 2021) Mr. Divyank Garg, CFO (appointed w.e.f. 1 May 2021 Resigned w.e.f. 26 March 2022) Mr. Amit Aswal, Company Secretary (Resigned w.e.f. 28 July 2021) Mr. Dharam Singh Rathore, Company Secretary (appointed w.e.f. 22 December 2021)
Entities having significant influence or having common influence/control	Minda Investments Limited Singhal Fincap Limited Minda TTE Daps Private Limited S.N. Casting Limited

(b) Transactions with related parties:

Related party	Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
Minda Industries Limited	Sale of components	8,277.38	5,002.81
	Purchase of goods	1,278.00	1,102.43
	Purchase of Fixed Assets	-	218.08
	Legal and professional charges	-	101.65
	Guest house charges	-	1.43
	Services rendered	79.45	36.95
	Development cost recovery	-	17.22
	Service received	33.63	10.60
	SAP license fee & other charges	-	13.50
Mindarika Private Limited	Sale of products	2,261.39	1,190.43
	Development cost recovery	-	19.14
	Shared services	11.48	11.63
	Purchase of goods	200.97	107.34
Minda Rinder Private Limited	Sale of products	-	274.88
	Purchase of goods	-	102.48
Minda TTE Daps Private Limited	Sale of products	656.00	560.60
	Development cost recovery	-	0.52
	Purchase of goods	181.08	217.88



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. lakhs, unless otherwise stated)

(b) Transactions with related parties (cont.):

Related party	Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
Katolec Corporation	Shared services - management and administrative cost	3.17	-
	Purchase of goods	9.68	3.71
Minda Investments Limited	Rent paid	122.44	97.12
S N Casting Limited	Purchase of goods	71.77	53.96
	Loan repaid	-	300.00
	Interest paid	-	9.55
MITIL Polymer Private Limited	Purchase of goods	14.28	5.66
Keiji Nakajima	Directors sitting fees	1.90	2.80
Hidechito Araki	Directors sitting fees	1.60	-
Dr. Chandan Chowdhary	Directors sitting fees	3.50	2.55
Suresh Kumar Narayan	Short term benefits	-	70.02
Satish Saini	Short term benefits	-	10.48
Dinesh Prakash Agrawal	Short term benefits	-	4.60
Amit Aswal	Short term benefits	2.85	4.71
Laxmi Kant Misra	Directors' Remuneration	49.77	-
Divyank Garg	KMP's Remuneration	19.62	-
Dharam Singh Rathore	KMP's Remuneration	1.70	-

(c) Outstanding balances as at period end:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
Minda Industries Limited	631.16	126.85
Mindarika Private Limited	16.16	6.62
Minda TTE Daps Private Limited	-	79.88
S N Casting Limited	25.10	16.31
MITIL Polymer Private Limited	1.80	4.72
Trade receivables		
Minda Industries Limited	2,358.13	976.02
Mindarika Private Limited	216.61	251.04
Minda TTE Daps Private Limited	0.01	202.28
Loan - Security deposit given		
Minda Investments Limited	10.00	10.00

Notes:

- a) Based on the internal evaluation, the Company has concluded that all related party transactions are carried out on arms length basis.
- b) The remuneration to the key managerial personnel as disclosed above does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.



Minda Katolec Electronics Services Private Limited**Notes to the financial statements for the year ended 31 March 2022**

(All amounts in Indian Rs. lakhs, unless otherwise stated)

37 Financial risk management

The Company, as an active supplier for the automobile industry expose its business and products to various market risks, liquidity risk and credit risk. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks.

a) Market risk

Market risk is the risk that changes in market prices - such as pricing, currency risk and interest rate risk- will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

Particulars of un-hedged foreign currency exposure

Currency	As at			As at		
	31 March 2022			31 March 2021		
	Foreign currency	Exchange rate	Amount	Foreign	Exchange rate	Amount
Trade & Capital creditors						
USD	1,093,684.97	75.81	829.09	1,559,208.03	72.40	1,128.94
EUR	5,750.00	84.66	4.87	4,600.00	85.31	3.92

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company profit or loss due to changes in the fair value of monetary assets and liabilities.

Exposure gain/(loss)	As at		As at	
	31 March 2022		31 March 2021	
	Change +1%	Change -1%	Change +1%	Change -1%
Particulars				
Trade & Capital Creditors				
USD	(8.29)	8.29	(11.29)	11.29
EUR	(0.05)	0.05	(0.04)	0.04

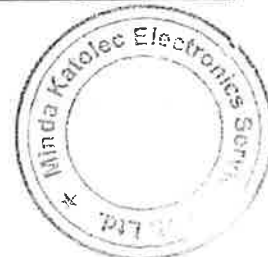
b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

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

As at 31 March 2022	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Borrowings	2,620.64	301.80	595.54	1,670.54	-	5,188.52
Lease liabilities	-	39.45	118.33	709.45	6,484.80	7,352.03
Trade payables	-	5,862.08	-	-	-	5,862.08
Other financial liabilities	-	35.03	-	-	-	35.03

As at 31 March 2021	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Borrowings	827.15	83.70	251.10	890.57	-	2,052.52
Lease liabilities	-	29.63	88.89	531.78	5,189.49	5,839.79
Trade payables	1,229.23	2,721.34	-	-	-	3,950.57
Other financial liabilities	-	20.92	-	-	-	20.92



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
(All amounts in Indian Rs. Lakhs, unless otherwise stated)

c) Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable) disclosed in note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are operating in different segments. There have been no bad debts observed during previous years.

The table below summarises the ageing bracket of trade receivables.

	Carrying Amount As at	
	31 March 2022	31 March 2021
Current (not past due)	1,743.80	1,437.62
1-30 days past due	919.29	77.31
31-60 days past due	133.15	-
61-90 days past due	(70.37)	-
More than 90 days past due	19.60	0.73

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Senior Management of the Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change of 0.5 % in interest rates on that portion of borrowings affected, with all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings (refer note 15 for present rate of borrowings), the impact of change in rate is as follows:

Interest rate sensitivity is calculated on borrowing. The impact of change in interest rate is given below:-

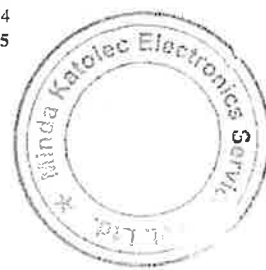
Particulars	Impact on profit/ (loss)	
	31 March 2022	31 March 2021
Increase by 0.5%	(25.97)	(10.26)
Decrease by 0.5%	25.97	10.26

38 Capital management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors net debt to EBITDA ratio i.e. net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (profit/loss before tax and exceptional items plus depreciation and amortization expense plus finance costs). The company's strategy is to ensure that the net debt to EBITDA is managed at an optimum level considering the above factors. The net debt to EBITDA ratios are as follows:

	As at	
	31 March 2022	31 March 2021
Adjusted net debt	4,093.20	1,682.53
EBITDA	987.98	117.24
Ratio	4.14	14.35



39 Fair value measurements

A. Financial instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Category	As at 31 March 2022		As at 31 March 2021	
	Carrying value	Amortized cost	Carrying value	Amortized cost
1) Financial assets				
Trade receivables	2,745.46	2,745.46	1,515.67	1,515.67
Cash and cash equivalents	197.98	197.98	35.19	35.19
Other balances with banks	93.25	93.25	81.55	81.55
Other current financial assets	165.17	165.17	165.26	165.26
Total	3,201.86	3,201.86	1,797.67	1,797.67
2) Financial liabilities				
Borrowings	4,291.18	4,291.18	2,052.52	2,053
Lease liabilities	2,479.59	2,479.59	1,704.89	1,704.89
Trade payables	5,862.08	5,862.08	3,950.57	3,950.57
Other financial liabilities	35.03	35.03	20.92	20.92
Total	12,667.88	12,667.88	7,728.90	7,728.90

Note- Management has assessed that trade receivables, cash and cash equivalents, other bank balances, security deposit, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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.

The fair value of security deposit received has been estimated using DCF method.

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2022	Quoted price in active markets	Significant observers inputs	Significant unobservers inputs	Total (Carrying Value)
	Level 1	Level 2	Level 3	
Financial assets whose fair value approximate their carrying value				
Trade receivables	-	-	2,745.46	2,745.46
Cash and cash equivalents	-	-	197.98	197.98
Other balances with banks	-	-	93.25	93.25
Other current financial assets			165.17	165.17
	-	-	3,201.86	3,201.86
Financial liabilities whose fair value approximate their carrying value				
Borrowings	-	-	4,291.18	4,291.18
Trade payables	-	-	5,862.08	5,862.08
Other financial liabilities	-	-	35.03	35.03
Financial liabilities whose fair value determined using incremental borrowing rate				
Lease liabilities	-	-	2,479.59	2,479.59
	-	-	12,667.88	12,667.88



Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

As at 31 March 2021	Quoted price in active markets	Significant observable inputs	Significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
Financial assets whose fair value approximate their carrying value				
Trade receivables	-	-	1,515.67	1,515.67
Cash and cash equivalents	-	-	35.19	35.19
Other balances with banks	-	-	81.55	81.55
Other current financial assets	-	-	165.26	165.26
	-	-	1,797.67	1,797.67
Financial liabilities whose fair value approximate their carrying value				
Borrowings	-	-	2,052.52	2,052.52
Trade payables	-	-	3,950.57	3,950.57
Other financial liabilities	-	-	20.92	20.92
Financial liabilities whose fair value determined using incremental borrowing rate				
Lease liabilities	-	-	1,704.89	1,704.89
			7,728.90	7,728.90

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

Valuation process

The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Financial Director. Discussions of valuation processes and results are held between the Financial Director and the finance team at least once every year in line with the Company's reporting periods.

- 40 The Chief Financial Officer (CFO) left the Company on 26 March 2022. As per Section 203 of the Companies Act, 2013, the Company can appoint CFO within six months from the date of such vacancy. At the date of approval of these financial statements, the Company has not appointed a CFO and therefore, these financial statements are signed by other authorized signatories.

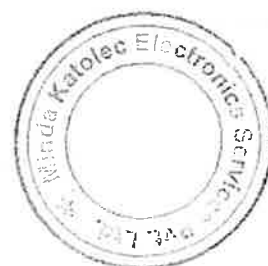


Minda Katolec Electronics Services Private Limited
Notes to the financial statements for the year ended 31 March 2022
 (All amounts in Indian Rs. lakhs, unless otherwise stated)

41 Ratio

The ratios for the years ended 31 March 2022 and 31 March 2021 are as follows:

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change
Current ratio	Current Assets	Current Liabilities	1.04	1.05	1.56%
Debt- Equity Ratio	Total Debt	Shareholder's Equity	5.16	2.59	-99.34%
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.16	0.10	-1082.97%
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.03	(4.47)	100.77%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	3.21	6.55	51.00%
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.05	9.24	23.66%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.86	3.61	20.83%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	49.23	39.37	-25.05%
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.00	(0.07)	102.61%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.08	(0.12)	171.78%
Return on Investment	Interest (Finance Income)	Investment	NA	NA	



42 Share-based compensation

The shareholders of the Parent Company had approved the UNO Minda Employee Stock Option Scheme – 2019 (herein referred as UNOMINDA ESOS-2019) through postal ballot resolution dated March 25, 2019.

During the earlier year, the NRC of holding company has approved and granted options to Eligible Employees of the Parent Company and its Subsidiaries. The plan envisaged grant of stock options to eligible employees at market price in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

This scheme provided for conditional grant of Performance Shares at nominal value to eligible management employees as determined by the Nomination and Remuneration Committee from time to time. The performance measures under this scheme include Group achieving the target market Capitalisation as amended. The maximum number of equity shares to be allotted under the scheme are 1,01,020 at an exercise price of ₹325/- each. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the holding company in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereof from time to time.

Accordingly, the expense pertaining to the Company is recharged by the parent company.

The terms and conditions related to the grant of the share options are as follows:

Scheme	Year	Date of Grant	Number of options granted	Vesting conditions	Exercise period	Exercise price (₹) per share	Fair value of the option on the date of grant (₹) per share
Minda Employee Stock Option Scheme 2019	2021-22	13-Jun-21	3,581	Achieving target of market capitalization of the parent Company	2 Year from the date of vesting	325/-	390.310/-

The number of share options under stock benefit plan is as follows:

Scheme	Year	Outstanding at the beginning of the year	Granted during the year	Forfeited/lapsed/expired/employee transferred during the year	Exercised during the year	Exercisable at the end of the year	Outstanding at the end of the year
Minda Employee Stock Option Scheme 2019	2021-22	-	3,581	-	-	-	3,581

Fair valuation

The parent company has provided the fair value of Share based payment cost that have been done by an independent valuer on the date of grant using the Black-Scholes Model.

The following assumptions were used for calculation of fair value of grants:

Particulars	As at 31 March 2022	As at 31 March 2021
Risk-free interest rate (%)	5.19%	NA
Expected life of options (years) [(Year of vesting) - (contractual option term)]	4 years	NA
Expected volatility (%)	44.70%	NA
Dividend yield	0.32%	NA

The Risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities or 10 years Government bonds. Volatility calculation is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure volatility is used in option-pricing model is the annualized standard deviation of the continuously compounded rate of the return of the stock over a period of time. The dividend yield for the year is derived by dividing the dividend for the period with the current market price.

The above disclosure is based on the information, to the extent available with the Company.

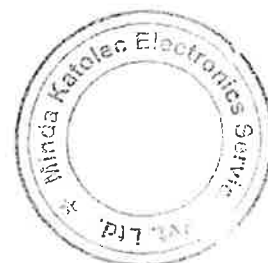
	Year ended 31 March 2022	Year ended 31 March 2021
Amount recognised in statement of profit and loss:		
Employee stock option expenses	10.68	-

43 Change in classification:

During the year ended 31 March 2022, the Company modified the classification of 'Security deposits' from 'Loans' to 'Other financial assets' to reflect the requirement of Schedule III amendments. Comparative amounts in the notes to the financial statements were reclassified for consistency. As a result Rs. 23.10 Lakhs for the year ended 31 March 2021 was reclassified from 'Loans (non-current)' to 'Other financial assets (non-current)' and Rs. 0.03 lakhs from 'Loans (current)' to 'Other financial assets (current)'.

The notes referred to above form an integral part of these financial statements.

- 44 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in part identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."



Notes to the financial statements for the year ended 31 March 2022
Mindia Katolec Electronics Services Private Limited
(All amounts in Indian Rupees, unless otherwise stated)
CIN No. - U39999DL30177PTC313486

45 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

46 Impact of COVID-19 on financial statements:

The company has considered the possible effects that may result from the pandemic relating to the COVID-19 on the carrying amounts of property plant & equipment's, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the company. The company has performed sensitivity analysis on the assumptions used and based on current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the company's financial results may differ from that estimated as at the date of approval of these financial results.

As per our report of even date attached:

For S R & Co. LLP
Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Mandira Kishor,

Partner

Membership No: 511565

Place: New Delhi

Date: 13 May 2022

For and on behalf of the Board

Mindia Katolec Electronics Services Private Limited

Local Kant Mirra

Managing Director

DIN: 82376043

Place: Pune

Date: 13 May 2022

Shantanu Singh Rathore

Company Secretary

U. No. AS7411

Place: Gurgaon

Date: 13 May 2022

Mandira Uda

Director

DIN: 08376349

Place: Tokyo, Japan

Date: 13 May 2022

