

**Minda Storage Batteries Private Limited**  
**Balance Sheet as at 31 March 2022**  
(All amounts in ₹ lakhs, unless otherwise stated)  
CIN : U35900DL2011PTC228383

	Note	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4a	8,778.7	9,547.4
Right-of-use-assets	4b	149.0	151.0
Capital work-in-progress	4a	14.3	8.8
Other intangible assets	4c	1.9	5.9
<b>Financial assets</b>			
(i) Other financial assets	5	44.6	42.8
Deferred tax assets (net)	6	-	-
Non current tax assets (net)	7	24.1	10.1
<b>Total non-current assets</b>		<b>9,012.6</b>	<b>9,766.0</b>
<b>Current assets</b>			
Inventories	8	1,725.0	1,514.8
<b>Financial assets</b>			
(i) Trade receivables	9	1,316.4	1,761.8
(ii) Cash and cash equivalents	10A	627.9	77.3
(iii) Bank balances other than (ii) above	10B	101.0	176.3
(iv) Loans	11	6.2	11.0
(v) Other financial assets	12	11.6	90.4
Other current assets	13	262.2	250.8
<b>Total current assets</b>		<b>4,050.3</b>	<b>3,882.4</b>
<b>Total assets</b>		<b>13,062.9</b>	<b>13,648.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14A	18,860.0	18,860.0
Other equity	14B	(7,681.7)	(7,594.5)
<b>Total equity</b>		<b>11,178.3</b>	<b>11,265.5</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	15	226.5	269.6
Government grants	16	653.0	718.3
<b>Total non-current liabilities</b>		<b>879.5</b>	<b>987.9</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Trade payables	17		
(a) total outstanding dues of micro and small enterprises		332.4	28.9
(b) total outstanding dues of creditors other than micro and small enterprises		414.5	1,093.9
(ii) Other financial liabilities	18	29.9	38.9
Other current liabilities	19	121.8	107.0
Provisions	20	41.2	61.0
Government grants	16	65.3	65.3
<b>Total current liabilities</b>		<b>1,005.1</b>	<b>1,395.0</b>
<b>Total equity and liabilities</b>		<b>13,062.9</b>	<b>13,648.4</b>
<b>Significant accounting policies</b>			

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 Registration No: 101248W/W-100022

*Ankush Goel*

Ankush Goel  
Partner  
Membership No.: 505121

Place: Gurugram  
Date: 16 May 2022

For and on behalf of the Board of Directors of  
**Minda Storage Batteries Private Limited**

*Rajesh Tiwari*  
Rajesh Tiwari  
Director  
DIN No. 08147597

Rajesh Tiwari  
Company secretary  
Membership No.: 30566

Place: Gurugram  
Date: 16 May 2022

*Sanjeev Kumar Shah*  
Sanjeev Kumar Shah  
Director  
DIN No. 03364405

Sanjeev Kumar Shah  
Chief Financial Officer

Place: Gurugram  
Date: 16 May 2022



**Minda Storage Batteries Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2022**  
(All amounts in ₹ lakhs, unless otherwise stated)  
CIN : U35900DL2011PTC228383

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
Revenue from operations	21	14,197.5	11,626.4
Other income	22	31.7	38.4
<b>Total income</b>		<b>14,229.2</b>	<b>11,664.8</b>
<b>Expenses</b>			
Cost of materials consumed	23	10,899.8	8,997.5
Changes in inventories of finished goods and work-in-progress	24	(89.0)	(339.4)
Employee benefits expense	25	1,139.7	925.1
Finance costs	26	4.8	20.0
Depreciation and amortization/ impairment expense	27	823.1	831.9
Other expenses	28	1,546.5	1,427.8
<b>Total expenses</b>		<b>14,324.9</b>	<b>11,862.9</b>
<b>Loss before tax</b>		<b>(95.7)</b>	<b>(198.1)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(95.7)</b>	<b>(198.1)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements (losses)/gains on defined benefit plans	32	8.5	8.3
Income tax effect		-	-
<b>Other comprehensive income/(loss), net of tax</b>		<b>8.5</b>	<b>8.3</b>
<b>Total comprehensive Income / (Loss)</b>		<b>(87.2)</b>	<b>(189.8)</b>
<b>Basic and diluted earnings per share (in ₹) (Face value of ₹ 10 per share)</b>	29	<b>(0.05)</b>	<b>(0.11)</b>
<b>Significant accounting policies</b>	3		

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*Ankush Goel*

Ankush Goel  
Partner  
Membership No. : 505121

For and on behalf of the Board of Directors of  
Minda Storage Batteries Private Limited

*Rajeev Gandotra*  
Rajeev Gandotra  
Director  
DIN No. 08147597

*Sanjay Jain*  
Sanjay Jain  
Director  
DIN No. 03364405

*Rajesh Tiwari*  
Rajesh Tiwari  
Company secretary  
Membership No. : 30566

*Sanjeev Kumar Shah*  
Sanjeev Kumar Shah  
Chief Financial Officer

Place: Gurugram  
Date: 16 May 2022

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**Minda Storage Batteries Private Limited**  
**Statement of Cash Flow for the year ended 31 March 2022**  
 (All amounts in ₹ lakhs, unless otherwise stated)  
 CIN : U35900DL2011PTC228383

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flows from operating activities :</b>		
Loss before tax	(95.7)	(198.1)
<b>Adjustments for:</b>		
Depreciation and amortisation/ impairment expense	823.1	831.9
Finance costs	4.8	20.0
Interest income on fixed deposits	(8.9)	(19.2)
Interest income on government grants	(65.3)	(65.3)
Exchange (gain)/ loss on foreign currency fluctuations (net)	2.7	(5.2)
Property, plant and equipment scrapped/ written off	0.5	-
Liabilities written back	(22.8)	12.2
<b>Operating cash flow before working capital changes</b>	<b>638.4</b>	<b>576.3</b>
<b>Adjustments for changes in assets and liabilities:</b>		
Decrease / (increase) in loans	4.8	(3.3)
(Increase)/ decrease in inventories	(210.2)	67.3
Decrease / (increase) in trade receivables	441.4	(621.0)
Decrease / (increase) other financial assets	(1.7)	(9.8)
(Increase)/ Decrease in other current assets	(11.4)	(134.6)
(Decrease)/ increase in trade payables	(352.0)	195.0
Increase in other current liabilities	14.8	35.4
(Decrease) in other financial liabilities	(9.0)	(5.0)
(Decrease)/ increase in provisions	(54.4)	41.2
Cash generated from operations	460.7	141.5
Net Income tax (paid) / refund	(14.0)	43.6
<b>Net cash generated from operating activities (A)</b>	<b>446.7</b>	<b>185.1</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets	(59.0)	(58.8)
Maturity of Fixed deposit	75.3	-
Sale of property, plant and equipment	4.8	0.3
Interest received on fixed deposits	87.6	2.7
<b>Net cash generated from investing activities (B)</b>	<b>108.7</b>	<b>(55.8)</b>
<b>C. Cash flows from financing activities</b>		
Decrease in borrowings	-	(144.8)
Finance Cost	(4.8)	(20.0)
<b>Net cash used in financing activities (C)</b>	<b>(4.8)</b>	<b>(164.8)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>550.6</b>	<b>(35.5)</b>
Cash and cash equivalents as at opening	77.3	112.8
<b>Cash and cash equivalents as at closing</b>	<b>627.9</b>	<b>77.3</b>
Balances with banks:		
On current accounts	627.8	77.1
Cash on hand	0.1	0.2
<b>Cash and cash equivalents at the end of the year</b>	<b>627.9</b>	<b>77.3</b>

Significant accounting policies

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The accompanying notes form an integral part of the financial statements

The Statement Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, as specified under the section 133 of the Companies Act, 2013.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

*Ankush Goel*

**Ankush Goel**

Partner

Membership No. : 505121

For and on behalf of the Board of Directors of  
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*Rajeev Gandotra*

**Rajeev Gandotra**

Director

DIN No. 08147597

*Rajesh Tiwari*

**Rajesh Tiwari**

Company secretary

Membership No. : 30566

*Sanjay Jain*

**Sanjay Jain**

Director

DIN No. 03364405

*Sanjeev Kumar Shah*

**Sanjeev Kumar Shah**

Chief Financial Officer

Place: Gurugram

Date: 16 May 2022

Place: Gurugram

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Date: 16 May 2022



**Minda Storage Batteries Private Limited**  
**Statement of changes in Equity for the year ended 31 March 2022**  
 (All amounts in ₹ lakhs, unless otherwise stated)  
 CIN : U35900DL2011PTC228383

**a) Equity share capital**

**Balance as at 1 April 2020**  
 Changes in equity share capital during 2019-20  
**Balance as at the 31 March 2021**  
 Changes in equity share capital during 2020-21  
**Balance as at 31 March 2022**

Amount
18,860.0
-
18,860.0
-
18,860.0

**b) Other equity**

**As at 1 April 2020**  
 Profit/(loss) for the year  
 Other comprehensive income (net of tax)  
**As at 31 March 2021**  
 Profit/(loss) for the year  
 Other comprehensive income (net of tax)  
**Total comprehensive income**  
**As at 31 March 2022**

Amount
(7,404.7)
(198.1)
8.3
(7,594.5)
(95.7)
8.5
(87.2)
(7,681.7)

**Significant accounting policies**

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

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As per our report of even date attached

for **BSR & Co. LLP**  
 Chartered Accountants  
 Firm Registration No: 101248W/W-100022

*Ankush Goel*

**Ankush Goel**  
 Partner  
 Membership No. : 505121

For and on behalf of the Board of Directors of  
**Minda Storage Batteries Private Limited**

*Rajeev Gandotra*  
**Rajeev Gandotra**  
 Director  
 DIN No. 08147597

*Sanjay Jain*  
**Sanjay Jain**  
 Director  
 DIN No. 03364405

*Rajesh Tiwari*  
**Rajesh Tiwari**  
 Company secretary  
 Membership No. : 30566

*Sanjeev Kumar Shah*  
**Sanjeev Kumar Shah**  
 Chief Financial Officer

Place: Gurugram  
 Date: 16 May 2022

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**Minda Storage Batteries Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2022**  
**(All amounts in ₹ lakhs, unless otherwise stated)**  
**CIN : U35900DL2011PTC228383**

**1. Corporate information**

Minda Storage Batteries Private Limited ("the Company") is a private limited company incorporated under the Companies Act. is a 100% subsidiary of Minda Industries Limited with effect from 23 September 2016. The Company is primarily engaged in the business of manufacturing lead acid storage batteries for automotive and industrial application.

**2. Basis of preparation**

**A. Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements were authorised for issue by the Company's Board of Directors on 16 May 2022.

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 and one decimal thereof, unless otherwise indicated.

**C. Basis of measurement**

The financial statements have been prepared on 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	Amortized cost

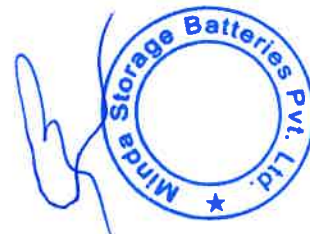
**D. Use of estimates and judgements**

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.

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**Judgements**

The areas involving critical estimates or judgements are:

- Estimation of income tax (current and deferred) – Note 7

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 other 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.

- Impairment assessment of property plant and equipment- Note 4

The Company periodically reviews the impairment indicators and assesses whether there is any indication that an asset may be impaired. In assessing recoverable amount, the Company has used independent valuer to determine fair value of the assets and then compared it with the carrying value of the fixed assets. The estimation of fair value involves significant judgements and estimates.

- Recognition and measurement of provisions– Note 34

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial periods. Management estimate the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

- Estimation of defined benefit obligation – Note 32

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.

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**Minda Storage Batteries Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2022**  
**(All amounts in ₹ lakhs, unless otherwise stated)**  
**CIN : U35900DL2011PTC228383**

Expected credit losses on financial assets: Note 9

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

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**E. Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by the Ministry of Corporate Affairs.

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization 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.

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### **3. Significant accounting policies**

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

#### **A. Foreign currency transactions**

##### **i. Initial recognition and settlement**

Foreign currency transactions are translated into the functional currency 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 statement of profit and loss.

##### **ii. Measurement at the 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 on restatement/settlement of all monetary items are recognised in profit or loss.

#### **B. Measurement of fair values**

A number of the accounting policies and disclosure required 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 or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control frame work with respect to the measurement of fair values. This include a finance team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to chief financial officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

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The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

### **C. 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.

#### **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 or loss. Any gains 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.

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**Financial assets: Subsequent measurement and gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit and loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gain or loss on de-recognition is recognized in statement of profit and loss.

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

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and 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 derecognized.

**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 statement of profit and loss.

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**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 Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**D. 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.

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.

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.

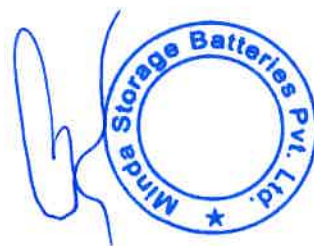
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

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### iii. Depreciation

Depreciation on items of property, plant and equipment is provided as per straight-line method 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 except in the case of certain plant and equipment, depreciation on which is provided as per the written down value method basis and the life is based on technical evaluation and assessment.

Leaschold land is amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from / (upto) 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. Based on internal assessment, 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 fixed assets 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)	Companies Act useful life (years)
Buildings	15 / 30	30
Plant and equipment	2/3/5/6/7/8/9/10/15/21	15
Furniture and fixtures	5/8/9/10	10
Vehicles	8	8
Office equipment	5	5
Computers	3	3

### E. Goodwill and other intangible assets

#### i. Goodwill

For measurement of goodwill that arises on a business combination measured at fair value. Any goodwill that arises is tested annually for impairment. Subsequent measurement is at cost less any accumulated impairment losses.

#### ii. Other intangible assets

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

#### Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

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### **Amortization**

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

The estimated useful lives are as follows:

- Software 6 years

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

### **F. Impairment**

#### **I. Impairment of financial instruments**

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

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

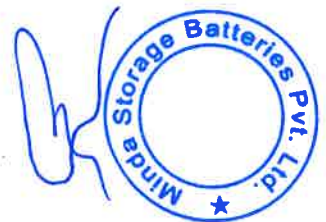
Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The Company follows 'simplified 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 recognizes 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

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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 if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated.

Assets that do not generate independent cash flows are grouped together into cash generating units (CGU).

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.

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 recognized.

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#### **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.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs).

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

#### **H. 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.

##### **Determining whether a contract contains lease**

At inception of a contract, the Company determines whether the contract is, or contains, a lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset or assets for a period of time in exchange for consideration, even if that right is not explicitly specified in a contract.

At inception or on reassessment of a contract that contains lease component and one or more additional lease or non-lease components, the Company separates payments and other consideration required by the contract into those for each lease component on the basis of their relative stand-alone price and those for non-lease components on the basis of their relative aggregate stand-alone price. If the Company concludes that it is impracticable to separate the payments reliably, then ROU asset and Lease liability are recognised at an amount equal to the present value of future lease payments; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

##### **Company as a lessee**

At inception, the Company assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether it depends on an identified asset, whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of that asset.

At



**Minda Storage Batteries Private Limited**  
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The Company has elected to separate lease and non-lease components of contracts, wherever possible.

The Company recognizes a right of use (ROU) asset and a lease liability at the transition date/ lease commencement date. The ROU is initially measured based on the present value of future lease payments, plus initial direct costs, and cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, and lease payments made at or before the commencement date, less any incentives received. The ROU is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU is subject to testing for impairment if there is an indicator for impairment.

At the commencement date, the Company measures the lease liability at the present value of the future lease payments that are not yet paid at that date discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or for leases of low value assets. The payments for such leases are recognized in the statement of profit and loss on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an underlying assets are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments are structured to increase in line with the general inflation to compensate for the lessor's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards incidental to ownership of underlying asset is transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**Transition to IND AS 116**

This standard replaces Ind AS 17 and sets out the principles for the recognition, measurement, presentation and disclosure of leases. The main effect on the Company is that Ind AS 116 introduces a single lease accounting model for lessees and requires a lessee to recognize assets and liabilities for almost all leases and therefore resulted in an increase of ROU asset and total financial liability at 1 April 2019. This standard is mandatory for the accounting period beginning on 1 April 2019. The Company adopted it on 1 April 2019 under the modified retrospective approach, utilizing the practical expedient to not reassess whether a contract contains a lease. Accordingly, the Company has not restated comparative information, instead,

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the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

The Company has elected for recognition exemption for short term leases and leases for which the underlying asset is of low value.

**I. Inventories**

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

Cost of inventories comprises all costs of purchase (net of recoverable taxes, where applicable), costs 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 , stores and spares	-	Weighted average cost
Work-in-progress and finished goods	-	Material cost plus appropriate share of labour, manufacturing overheads.

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.

**J. Revenue recognition**

The Company earns revenue primarily from sale of storage batteries and allied products.

**(i) Sale of goods:**

Revenue is measured at the fair value of the consideration received or receivable. Sales are recognized when the significant risks and rewards of ownership are transferred to the buyer as per the terms of contract and are recognized. Amounts disclosed as revenue are net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) Interest income is recognized using the effective interest method.

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- (iii) Duty drawback and export incentives- Income from duty drawback and export incentives is recognized on an accrual basis.

**K. 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) Share-based payment transactions**

The employees of the Company are entitled to Minda Industries Limited (holding Company) Employee Stock option scheme 2019. The cost of equity-settled transactions is determined by the holding Company using the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. The holding Company recharges the cost on regular basis to the Company on regular basis.

**(iii) 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 (EPF) [Employee Pension scheme (EPS) and Employees' State Insurance 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.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

**(iv) 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 recognized 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

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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 recognized in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(v) Other long term employee benefits**

**Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize 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 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 statement of profit and loss in the period in which they arise.

**L. Government grants**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other operating revenue.

**M. Provisions and contingencies**

**(i) Provisions**

A provision is recognized 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 recognized 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 recognized as finance cost.

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**(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.

**N. Income taxes**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income. In cases where the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the ESOP related cumulative remuneration expense, the excess of the associated current or deferred tax are recognised directly in equity.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax return with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

**Deferred tax**

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

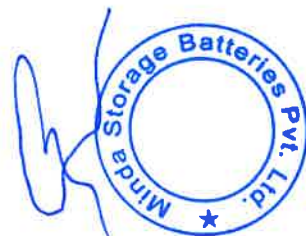
Deferred tax assets are recognized to the extent that it is probable that future profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the company 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 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 benefits will be realized.

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

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

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

Minimum Alternative tax ('MAT') under the provisions of Income-tax Act, 1961 is recognized as current tax in profit or loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**O. Earnings per share**

Basic earnings per share are calculated by dividing the net profit 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.

**P. Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized 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 recognized in the period in which the change occurs.

**Q. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. 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.

**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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

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**S. Standards issued but not yet effective up to the date of Financial Statements**

**Standards issued but not yet effective:**

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1st April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.
- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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4 Property, plant and equipment and Capital work-in-progress

a. Reconciliation of carrying amount

Particulars	Buildings	Plant and equipment *	Furniture and fixtures	Vehicles	Office equipment	Computers	Total (A)	Capital work-in-progress
Balance at 31 March 2020	2,295.5	9,987.6	31.5	32.2	16.7	50.1	12,413.6	9.1
Adjustments on account of IND AS 116 (Refer accounting policy note 3(h))	-	-	-	-	-	-	-	-
Additions	0.2	58.9	-	-	-	-	59.1	8.8
Deductions/ Adjustments	-	-	-	-	-	0.8	0.8	9.1
Balance at 31 March 2021	2,295.7	10,046.5	31.5	32.2	16.7	49.3	12,471.9	8.8
Additions	3.1	48.5	-	-	0.6	1.3	53.5	14.3
Deductions/ Adjustments	-	-	-	31.2	0.9	-	32.1	8.8
Balance at 31 March 2022	2,298.8	10,095.0	31.5	1.0	16.4	50.6	12,493.3	14.3
Accumulated depreciation								
Balance at 31 March 2020	184.8	1,844.8	9.7	21.8	9.7	29.7	2,100.5	-
Adjustments to IND AS 116 (refer accounting policy note 3(h))	-	-	-	-	-	-	-	-
Depreciation for the year	76.7	726.6	3.3	3.3	2.0	12.7	824.5	-
Disposals	-	-	-	-	-	0.5	0.5	-
Balance at 31 March 2021	261.5	2,571.4	13.0	25.1	11.7	41.9	2,934.5	-
Depreciation for the year	76.7	728.8	3.0	2.2	1.9	4.7	817.3	-
Disposals	-	-	-	26.4	0.9	-	27.3	-
Balance at 31 March 2022	338.2	3,300.2	16.0	0.9	12.7	46.6	3,714.6	-
Carrying amounts (net)								
At 31 March 2021	2,034.2	7,475.1	18.5	7.1	5.0	7.4	9,547.4	8.8
At 31 March 2022	1,960.6	6,794.8	15.5	0.1	3.7	4.0	8,778.7	14.3

i) Carrying amount of property, plant and equipment (movable) pledged as securities for borrowings to the extent of borrowing limits

ii) \* Includes government grant in Plant and equipment as on 31 March 2022: Gross block: ₹ 979.5 Lakhs (previous year: ₹ 979.5 Lakhs), accumulated depreciation: ₹ 261.2 Lakhs, (previous year: 195.9 Lakhs) (refer note 16)

iii) # Title deed is in the name of the Minda Industries Limited, holding company which is yet to be registered in the name of the Company. Leasehold land charged to all lenders of Minda Industries Limited on pari passu basis (Refer Note-45a)

The leasehold land has been reclassified as Right-of-use-assets due to implementation of Ind AS 116 effective 1 April 2019. (Also refer note 4b relating to Right to Use Asset)

iv) Refer note 30 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment

v) Capital work in progress (CWIP) Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March 2022					
Projects in progress	14.3	-	-	-	14.3
Projects temporarily suspended	-	-	-	-	-
Total	14.3	-	-	-	14.3

As at 31 March 2021

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	8.8	-	-	-	8.8
Projects temporarily suspended	-	-	-	-	-
Total	8.8	-	-	-	8.8

  
Minda Storage Batteries Pvt. Ltd.



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**b. Right-of-use-assets (Refer 4a)**

	As at 31 March 2022
<b>Carrying amount of:</b>	
Right of use (leasehold land)	149.0
	<b>149.0</b>
Particulars	Right of use (leasehold land)
<b>Cost</b>	
As at 1 April 2020	155.0
Additions	0.0
Disposal / derecognized during the year	0.0
<b>Balance at 31 March 2021</b>	<b>155.0</b>
Additions	0.0
Disposal / derecognized during the year	0.0
<b>Balance at 31 March 2022</b>	<b>155.0</b>
<b>Accumulated depreciation</b>	
Balance at 1 April 2020	2.0
Depreciation expense	2.0
Disposal / derecognized during the year	0.0
<b>Balance at 31 March 2021</b>	<b>4.0</b>
Depreciation expense	2.0
Disposal / derecognized during the year	0.0
<b>Balance at 31 March 2022</b>	<b>6.0</b>
<b>Balance at 31 March 2021</b>	<b>151.0</b>
<b>Balance at 31 March 2022</b>	<b>149.0</b>

Note - Also refer Note 46

**c. Other intangible assets**

Particulars	Software
<b>Balance at 1 April 2020</b>	<b>19.8</b>
Additions	0.0
Deductions/ Adjustments	0.0
<b>Balance at 31 March 2021</b>	<b>19.8</b>
Additions	0.0
Deductions/ Adjustments	0.0
<b>Balance at 31 March 2022</b>	<b>19.8</b>
<b>Accumulated amortisation</b>	
Balance at 31 March 2020	8.5
Amortisation for the year	5.4
Disposals	0.0
<b>Balance at 31 March 2021</b>	<b>13.9</b>
Amortisation for the year	4.0
Disposals	0.0
<b>Balance at 31 March 2022</b>	<b>17.9</b>
<b>Carrying amount (net)</b>	
At 31 March 2021	5.9
At 31 March 2022	1.9

At



**Minda Storage Batteries Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
 (All amounts in ₹ lakhs, unless otherwise stated)  
 CIN : U35900DL2011PTC228383

	As at 31 March 2022	As at 31 March 2021
<b>5 Other financial assets</b> <i>(unsecured considered good unless otherwise stated)</i>		
Security deposits**	40.1	38.6
Bank deposits (due to mature after 12 months from the reporting date)*	4.5	4.2
	<u>44.6</u>	<u>42.8</u>

\* Bank deposits includes Rs. 4.5 lakhs (31 March 2021 : Rs. 4.2 lakhs) being fixed deposits pledged with various government authorities.

\*\* Loans (Security Deposit) to be reclassified under Other financial asset- According to new S-III



6 Deferred tax assets (net)/ Deferred tax liabilities (net)

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

a. Amount recognised in the Statement of profit or loss

Current tax	-	-
Tax relating to earlier year	-	-
Deferred tax	-	-
Tax expense for the year recognised in the Statement of profit or loss	-	-

b. Income tax recognised in other comprehensive income

	For the year ended 31 March 2022	For the year ended 31 March 2021
	Before tax	Before tax
	Tax (expense)/ benefit	Tax (expense)/ benefit
	Net of tax	Net of tax
	8.5	8.5
	8.5	8.5
	-	-
	8.3	8.3

Remeasurements of defined benefit plan

c. Reconciliation of effective tax rate

	For the year ended 31 March 2022	For the year ended 31 March 2021
	Rate (%)	Rate (%)
	Amount	Amount
Loss before tax	(95.7)	(198.1)
Tax using company's domestic tax rate #	(24.1)	(49.9)
	25.2%	25.2%

# In the absence of reasonable certainty of sufficient future taxable profits, deferred tax asset has been recognised only to the extent of deferred tax liability.

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**Minda Storage Batteries Private Limited**  
**Notes to the financial statements for the year ended 31 March 2022**  
 (All amounts in ₹ lakhs, unless otherwise stated)  
 CIN : U35900DL2011PTC228383

**Deferred tax assets (net)/ Deferred tax liabilities (net) (contd.)**

**d. Deferred tax assets / liabilities**

	Deferred tax assets		(Deferred tax liabilities)		Net deferred tax assets / (liabilities)	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Property, plant and equipment and other intangible assets (net)		-	(851.1)	(843.1)	(851.1)	(843.1)
Provision for employee benefits	46.0	46.7	-	-	46.0	46.7
Other financial liabilities	7.3	8.7	-	-	7.3	8.7
Provision for warranty	21.3	36.5	-	-	21.3	36.5
Carried forward losses and unabsorbed depreciation	1,827.1	1,774.9	-	-	1,827.1	1,774.9
	<b>1,901.7</b>	<b>1,866.8</b>	<b>(851.1)</b>	<b>(843.1)</b>	<b>1,050.6</b>	<b>1,023.7</b>
Deferred tax liabilities					<b>(851.1)</b>	<b>(843.1)</b>
Deferred tax assets (to the extent of deferred tax liabilities)					<b>(851.1)</b>	<b>(843.1)</b>
<b>Deferred tax assets (liability) recognised</b>					<b>-</b>	<b>-</b>

As at 31 March 2022, the Company has unabsorbed depreciation/business losses as per Income tax Act, 1961. In the absence of reasonable certainty of sufficient future taxable profits, deferred tax asset has been recognised only to the extent of deferred tax liability.

**e. Movement of temporary differences**

	Net deferred tax assets / (liabilities)			
	As at 1 April 2021	Unrecognised temporary differences	Unrecognised tax losses	As at 31 March 2021
Property, plant and equipment and other intangible assets (net)	(839.1)	(4.0)	-	(843.1)
Provision for employee benefits	41.8	4.9	-	46.7
Other financial liabilities	5.5	3.2	-	8.7
Provision for warranty	35.6	0.9	-	36.5
Carried forward losses and unabsorbed depreciation	2,146.9	-	(372.0)	1,774.9
	<b>1,390.7</b>	<b>5.0</b>	<b>(372.0)</b>	<b>1,023.7</b>
			<b>(25.3)</b>	<b>52.2</b>
				<b>1,050.6</b>

**f. Tax losses and tax credits for which no deferred tax asset was recognised expire as follows:**

Expire year	As at 31 March 2022		As at 31 March 2021	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Business Loss	1,701.0	428.1	1,701.0	428.2
Unabsorbed depreciation	5,558.1	1,398.9	5,350.8	1,346.7
	<b>7,259.1</b>	<b>1,827.0</b>	<b>7,051.8</b>	<b>1,774.9</b>



AS

	As at 31 March 2022	As at 31 March 2021
<b>7 Non current tax assets (net)</b>		
Advance tax	24.1	10.1
	<u>24.1</u>	<u>10.1</u>
<b>8 Inventories*</b>		
(Valued at lower of cost or net realisable value)		
Raw materials	607.9	507.7
Work-in-progress	839.9	870.1
Finished goods **	200.1	80.8
Stores and spares	77.1	56.2
	<u>1,725.0</u>	<u>1514.8</u>

\*Carrying amount of inventories (shown above) pledged as securities for borrowings to the extent of borrowing limits.

The write down of inventories to net realisable value during the year amounted to Rs. 99.18 lacs (As at 31 March 2021: 110.4 lacs). The write down is included in cost of material consumed or changes in inventories of finished goods and work-in-progress.

\*\* Finished goods included Goods in Transit Rs. 23.2 Lakhs

**9 Trade receivables**  
(Unsecured, considered good unless otherwise stated)

Unsecured considered good		
-From related parties	958.2	950.2
-From other than related parties	363.3	811.6
Less: Provision for doubtful debt	(5.1)	-
	<u>1,316.4</u>	<u>1761.8</u>

a) Trade receivable includes amount due from companies having common directors as follows:

Minda Industries Limited	958.2	950.2
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b) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note no 36.

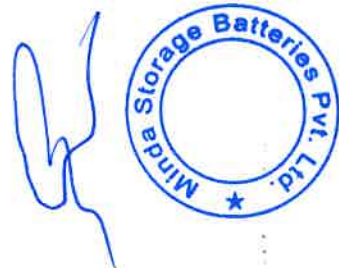
c) The Company believes that no loss allowance is required against the debtors.

**d) 'Break-up of trade receivables:**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Trade Receivables</b>		
Secured-Considered good	1,321.5	1,761.8
Unsecured-Considered good	-	-
Significant increase in credit risk	-	-
Credit Impaired	-	-
<b>Total</b>	<u>1,321.5</u>	<u>1,761.8</u>
<b>Less: Expected credit loss allowance</b>		
-Trade receivable considered good - secured	-	-
-Trade receivables considered good - unsecured	-	-
-Trade receivables which have significant increase in Credit risk	(5.1)	-
-Trade Receivables - credit impaired	-	-
<b>Total</b>	<u>1,316.4</u>	<u>1,761.8</u>

**e) Trade Receivables Ageing Schedule**

As at March 31, 2022	Outstanding for following periods from due date of payment						Expected credit loss	Net receivables
	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables		
Undisputed Trade Receivable - considered good	1,255.3	3.6	57.5	-	-	1,316.4	-	1,316.4
Undisputed Trade Receivable - significant increase in credit risk	-	5.1	-	-	-	5.1	5.1	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<u>1,255.3</u>	<u>8.6</u>	<u>57.5</u>	<u>-</u>	<u>-</u>	<u>1,321.5</u>	<u>5.1</u>	<u>1,316.4</u>

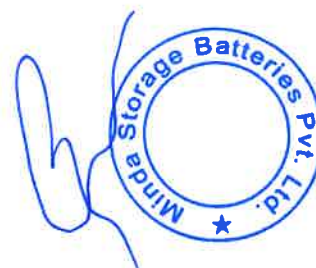


Trade Receivables Ageing Schedule

As at March 31, 2021	Outstanding for following periods from due date of payment					Total gross receivables	Expected credit loss	Net receivables
	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed Trade Receivable - considered good	1,640.3	43.6	77.9	-	-	1,761.8	-	1,761.8
Undisputed Trade Receivable - significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,640.3</b>	<b>43.6</b>	<b>77.9</b>	<b>-</b>	<b>-</b>	<b>1,761.8</b>	<b>-</b>	<b>1,761.8</b>

	As at 31 March 2022	As at 31 March 2021
<b>10A Cash and cash equivalents</b>		
- Balances with banks	627.8	77.1
On current accounts	0.1	0.2
- Cash on hand	<u>627.9</u>	<u>77.3</u>
<b>10B Bank balances other than those included in cash and cash equivalents above</b>		
- Balances with banks		
Bank deposits (due for realisation within 12 months of the reporting date)*	<u>101.0</u>	<u>176.3</u>
	<u>101.0</u>	<u>176.3</u>
* Represents fixed deposits pledged with various government authorities (refer note no 5)		
<b>11 Loans</b> (unsecured considered good unless otherwise stated)		
Loan to employees	<u>6.2</u>	<u>11.0</u>
	<u>6.2</u>	<u>11.0</u>
<b>12 Other financial assets</b> (unsecured considered good unless otherwise stated)		
Interest accrued on fixed deposits	1.2	79.9
Export benefit receivable	<u>10.4</u>	<u>10.5</u>
	<u>11.6</u>	<u>90.4</u>
<b>13 Other current assets</b> (unsecured considered good unless otherwise stated)		
Prepaid expenses	22.0	20.0
Advance to suppliers	184.2	107.2
Balances with government authorities	27.9	28.5
Insurance claim receivable	-	94.9
Advance to Supplier (Capital Advances)	26.9	0.0
Others	<u>1.2</u>	<u>0.2</u>
	<u>262.2</u>	<u>250.8</u>

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14A Equity share capital  
(a) Authorised

Equity shares of ₹10/- each (previous year ₹10/- each)

As at 31 March 2022		As at 31 March 2021	
Number	Amount	Number	Amount
190,000,000	19,000.0	190,000,000	19,000.0
190,000,000	19,000.0	190,000,000	19,000.0

(b)

Equity share capital

Equity shares of ₹10/- each (previous year ₹10/- each)

As at 31 March 2022		As at 31 March 2021	
Number	Amount	Number	Amount
188,600,000	18,860.0	188,600,000	18,860.0
188,600,000	18,860.0	188,600,000	18,860.0

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares  
Opening balance  
Closing balance

Number	Amount	Number	Amount
188,600,000	18,860.0	188,600,000	18,860.0
188,600,000	18,860.0	188,600,000	18,860.0

(d) (i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company may declare and pay dividends in Indian rupees. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(e) Details of shareholders holding more than 5% shares in the Company:

Class of shares / Name of shareholder

Minda Industries Limited (including six nominee shareholders)

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
188,600,000	100%	188,600,000	100%

(f) Also refer note 38 of the financial statements

(g) Promoters Shareholdings

Equity shares of Rs. 1000 each fully paid up held by:-

As at 31 March 2022				As at 31 March 2021		
S.No.	Promoter's name	No. of shares	% of total shares	No. of shares	% of total shares	% change during the year
1	Minda Industries Limited (including six nominee shareholders)	188,600,000	100.00%	188,600,000	100.00%	0.00%
Total		188,600,000	100.00%	188,600,000	100.00%	

14B Other equity

Retained earning

Balance at the beginning of the year

Loss for the year

Other comprehensive income, net of tax

As at 31 March 2022

(7,594.5)	(7,404.7)
(95.7)	(198.1)
8.5	8.3
(7,681.7)	(7,594.5)

15 Long-term provisions

Provision for employee benefits

Gratuity (refer note 32)

Compensated absences

Others

Provision for warranty\*

118.8	125.8
54.1	45.8
172.9	171.6
53.6	98.0
226.5	269.6

\* The Company has made a warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision (refer note 34).

16 Government grants

Export promotion capital grant scheme

Current portion

Non current portion

65.3	65.3
653.0	718.3
718.3	783.6

Opening balance

Less: Released to profit or loss

Closing balance

783.6	848.9
65.3	65.3
718.3	783.6



17 Trade payables

Trade payables

- (a) total outstanding dues of micro and small enterprises (refer note 33)  
(b) total outstanding dues of creditors other than micro and small enterprises

As at  
31 March 2022

As at  
31 March 2021

332.4

28.9

414.5

1,093.9

746.9

1,122.8

i) The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note no 35.

ii) Trade Payable ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Due	Less than 1 years	1 years to 2 years	2 year to 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	332.4	-	-	-	332.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	151.0	263.5	-	-	-	414.5
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	151.0	595.9	-	-	-	746.9

Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Due	Less than 1 years	1 years to 2 years	2 year to 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	28.9	-	-	-	28.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	183.4	891.9	18.6	-	-	1,093.9
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	183.4	920.8	18.6	-	-	1,122.8

18 Other financial liabilities

- Payable to employees  
Security deposits from customers

29.4

36.0

0.5

2.9

29.9

38.9

19 Other current liabilities

- Advance from customers  
Statutory dues

11.3

28.2

110.5

78.8

121.8

107.0

20 Short-term provisions

- Provision for employee benefits  
Gratuity (refer note 32)  
Compensated absences

3.0

2.0

7.0

12.1

10.0

14.1

Others

- Provision for warranty (refer note 15)

31.2

46.9

31.2

46.9

41.2

61.0



	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>21 Revenue from operations</b>		
Sale of products		
Finished goods	14,092.3	11,494.9
Other operating revenues		
Scrap sales	11.0	9.0
Export benefits	28.9	57.2
Government grants	65.3	65.3
	<u>14,197.5</u>	<u>11,626.4</u>
<b>22 Other income</b>		
Interest income on		
Fixed Deposit	8.9	19.2
Income Tax Refund	-	6.1
Liabilities written back	22.8	12.2
Miscellaneous income	-	0.9
	<u>31.7</u>	<u>38.4</u>
<b>23 Cost of materials consumed</b>		
Opening stock of raw materials (a)	507.7	920.3
Purchases (b)	11,000.0	8,584.9
Closing stock of raw materials (c)	607.9	507.7
Total (a+b-c)	<u>10,899.8</u>	<u>8,997.5</u>
<b>24 Changes in inventories of finished goods and work in progress</b>		
a) Inventories at the end of the year		
Work-in-progress	839.9	870.1
Finished goods	200.0	80.8
	<u>1,039.9</u>	<u>950.9</u>
b) Inventories at the beginning of the year		
Work-in-progress	870.1	513.7
Finished goods	80.8	97.8
	<u>950.9</u>	<u>611.5</u>
Net (decrease) in stocks (b-a)	<u>(89.0)</u>	<u>(339.4)</u>
<b>25 Employee benefits expense</b>		
Salaries, wages and bonus	994.2	821.6
Expense on employee stock option schemes (refer note 39)	-	2.2
Contribution to provident and other funds	62.5	52.8
Staff welfare expense	83.0	48.5
	<u>1,139.7</u>	<u>925.1</u>
<b>26 Finance costs</b>		
Interest on borrowings	0.1	7.0
Bank charges	2.0	11.9
Interest expense towards micro and small suppliers	2.7	1.1
	<u>4.8</u>	<u>20.0</u>





	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>27 Depreciation and amortization/ impairment</b>		
Depreciation of property plant and equipment	817.1	824.5
Amortisation of intangible assets	4.0	5.4
Depreciation on right-of-use-assets	2.0	2.0
	<u>823.1</u>	<u>831.9</u>
<b>28 Other expenses</b>		
Consumption of stores and spare parts	188.9	150.9
Power and fuel	543.9	477.8
Repairs and maintenance	115.8	108.2
Travelling and conveyance	40.0	35.2
Legal and professional	21.3	22.1
Payments to auditors*	18.3	18.3
Freight	171.4	165.0
Warranty (net)	345.4	350.3
Net loss on foreign currency fluctuations	5.6	12.5
SAP license fee	28.9	16.1
Sales promotion	0.3	-
Miscellaneous expenses	66.7	71.4
	<u>1,546.5</u>	<u>1,427.8</u>
As the Company is into losses, therefore no Corporate Social Responsibility (CSR) amount is required to be spent as per the requirements of Section 135 of the Companies Act, 2013.		
<b>Note:</b>		
* Payments to the auditors (excluding goods and service tax)		
Statutory audit	15.0	15.0
Other services	3.0	3.0
Reimbursement of expenses	0.3	0.3
	<u>18.3</u>	<u>18.3</u>
<b>29 Earnings per share</b>		
Net loss after tax as per Statement of Profit and loss	(95.7)	(198.1)
Net loss attributable to equity shares	(95.7)	(198.1)
Weighted average number of equity shares (in Nos.):		
for Basic EPS	188,600,000	188,600,000
for Diluted EPS	188,600,000	188,600,000
Basic earnings per share in rupees	(0.05)	(0.11)
Diluted earnings per share in rupees	(0.05)	(0.11)



30 (a) Contingent liabilities

The company has provided two Bank Guarantees amounting to ₹ 21.70 lakhs in total to M/s Indian Oil Adani Gas Pvt Ltd for supply of natural gas. The claim expiry date is 20 April 2025 and 4 January 2025. The company is of the view no provision is necessary with respect to the guarantee provided.

There are no litigations outstanding as at 31 March 2022 (Previous Rs. Nil.)

(b) Capital and other commitments

There are Rs 44.13 Lacs capital and other commitments outstanding as at 31 March 2022 (previous year : Nil)

31 Segment information

Operating segments

a. Basis for segmentation

The Chief operating decision maker (CODM) examines the Company's performance from a product business perspective and has identified 'Storage batteries and allied products' as a single operating segment. Accordingly, no disclosures are made for operating segments as per Ind AS 108 in the financial statements.

b. Geographical information

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

(i) Revenues

	For the year ended 31 March 2022	For the year ended 31 March 2021
India	12,915.9	9,260.8
Outside India	1,281.6	2,365.6
	<u>14,197.5</u>	<u>11,626.4</u>

(ii) Non-current assets #

	As at 31 March 2022	As at 31 March 2021
India	8,968.0	9,723.2
Outside India	-	-
Total	<u>8,968.0</u>	<u>9,723.2</u>

# Non-current assets excludes financial assets.

(iii) Trade receivable

	As at 31 March 2022	As at 31 March 2021
India	1,218.4	1,180.7
Outside India	98.0	581.1
Total	<u>1,316.4</u>	<u>1,761.8</u>

c. Major customer

Revenue from one customers of the Company is 64% (approx.) of the Company's total revenue (31 March 2021 revenue from two customers was more than 57%).

32 Disclosure pursuant to Ind AS 19 on "Employee Benefits"

	As at 31 March 2022	As at 31 March 2021
<b>Assets and liabilities relating to employee benefits</b>		
<b>Non-current</b>		
Provision for gratuity	118.8	125.8
Provision for compensated absences	54.1	45.8
	<u>172.9</u>	<u>171.6</u>
<b>Current</b>		
Provision for gratuity	3.0	2.0
Provision for compensated absences	7.0	12.1
Total employee benefit liabilities	<u>10.0</u>	<u>14.1</u>
<b>Total</b>	<u>182.9</u>	<u>185.7</u>

Defined benefit plan - Gratuity :

Salary for calculation of gratuity	Last drawn salary
Normal Retirement Age	58 Years
Vesting Period	5 Years
Benefit on normal retirement	As per the provisions of the Payment of Gratuity Act, 1972
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit based on the service upto the date of exit
Benefit on death in service	Same as normal retirement benefit and no vesting period conditions applies
Maximum limit	Rs. 20,00,000
Gratuity Formula	15/26 * Last drawn salary * Number of completed years



**32 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (continued)**

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

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. 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 fall, there shall be an increase in ultimate cost of providing the above benefit and thus, the defined benefit obligation will tend to increase.

**Liquidity risk:**

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash /cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Inherent risk**

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

**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.

**Regulatory risk:**

Gratuity benefit is paid in accordance with the requirements of the Payments of Gratuity Act, 1972 (as amended from time to time). There is risk of change in regulations requiring higher gratuity payouts (Maximum limit: Rs. 20,00,000.)

**Gratuity**

**(i) Changes in present value of obligation:**

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the beginning of the year	127.8	107.1
Interest cost	8.7	7.4
Current service cost	20.0	21.2
Benefits paid	(29.7)	(0.1)
Actuarial (gain)/loss on obligation	(8.4)	(8.3)
Transfer in/(out) liability	3.3	0.4
Present value of obligation as at the end of year	<u>121.7</u>	<u>127.8</u>
- Long term	118.7	125.8
- Short term	3.0	2.0

**(ii) The amounts recognized in the Balance Sheet are as follows:**

Present value of obligation as at the end of the year	121.7	127.8
Net (asset)/liability recognized in balance sheet	<u>121.7</u>	<u>127.8</u>

**(iii) Expenses recognized in the Statement of Profit and Loss:**

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Current service cost	20.0	21.2
Interest cost	8.7	7.4
Expenses recognized in the Statement of Profit and Loss	<u>28.7</u>	<u>28.6</u>

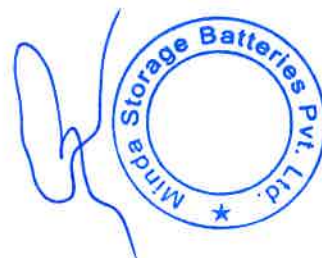
**(iv) Re-measurements recognised in other Comprehensive Income (OCI):**

Changes in Financial Assumption	(7.9)	1.0
Experience Adjustments	(0.6)	(9.3)
Amount recognized in other Comprehensive (Income)/ loss (OCI)	<u>(8.5)</u>	<u>(8.3)</u>

**(v) Maturity profile of defined benefit obligation:**

Within next 12 Months	3.0	2.0
Between 2 and 5 years	23.1	11.2
Between 6 and 10 years	30.4	53.9
More than 10 years	406.7	383.1

As at 31 March 2022, the weighted average duration of the defined benefit obligation was 16 years (31 March 2021: 16 years)



32 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (continued)

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

a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2022	As at 31 March 2021
Discount rate	7.20%	6.80%
Future salary increase	8.00%	8.00%

b) Demographic assumptions:

i) Retirement Age (Years)	58	58
ii) Mortality Table	100%	100%
iii) Ages		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on yields/ rates available on applicable bonds as on the current valuation date. The salary growth rate as indicated above is Company's best estimate of an increase in salary of the employees in future years determined considering the general trend in inflation, promotions, seniority, past experience and other relevant factors such as demand and supply in employment market, etc. Attrition rate indicated above represents the Company's best estimate of Employee Turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Assumptions regarding future mortality are based on Indian Assured Lives Mortality (IALM) (2012-2014) rates.

(vii) Sensitivity analysis for significant assumptions:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	104.7	142.8	110.0	149.7
Salary escalation rate (1%)	142.2	104.6	148.5	110.5
Attrition rate (50%)	120.3	123.4	125.6	130.3
Mortality rate (10%)	121.7	121.8	127.7	127.9

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely that the change in assumption to occur in isolation, 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 and the related Current Service Cost and, where applicable, past service cost 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. It should be noted that valuations do not affect the ultimate cost of the plan, only timing of when the benefit cost are recognised. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Asset Liability Matching Strategies

Gratuity is unfunded plan.

(viii) Enterprise best estimate of contribution during the next year

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

(c) Defined contribution plan

The Company makes contribution towards employees' provident fund, employees' state insurance plan scheme, pension fund and superannuation fund. 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. The Company has recognised ₹ 62.5 lakhs (31 March 2021 ₹ 52.8 Lakhs) during the year as expense towards contribution to these plans.

Provident fund	31.9	23.9
Employees' state insurance scheme	8.1	7.1
Pension fund	22.5	19.8
Superannuation fund	-	2.00
Total	62.5	52.8



**33 Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006.**

Based on the information available with the Company, the disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 is as follows :-

	For the year ended 31 March 2022	For the year ended 31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	332.4	28.9
- Interest	4.5	1.8
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	879.5	133.2
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 MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	4.5	1.8
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 MSMED Act 2006	4.5	1.8

**34 Provision**

**(i) Warranty**

The following disclosures have been made in accordance with the provisions of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Assets

	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	144.9	136.8
Add: Provision made during the year	345.4	350.3
Less: Utilized during the year	405.5	342.2
Balance as at the end of the year	84.8	144.9
Non current	53.6	98.0
Current	31.2	46.9





### 35 Financial risk management objectives

The Company, as an active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Company's decentralised management structure with the main activities in the plant make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks. The sensitivity analyses in the following sections relate to the position as at Balance sheet date. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post retirement obligations; provisions; and the non-financial assets and liabilities.

##### (i) Price risk

Fluctuation in commodity price affects directly and indirectly the price of raw material and components used by the company in its various products. Substantial pricing pressure from major after market customers to provide price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company.

##### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and trade receivables and is therefore, exposed to foreign exchange risk.

#### Particulars of un-hedged foreign currency exposure

Currency	As at 31 March 2022			As at 31 March 2021		
	Foreign currency amount in lakhs	Exchange rate (in ₹)	₹ in lakhs	Foreign currency amount in lakhs	Exchange rate (in ₹)	₹ in lakhs
<b>Trade receivables</b>						
USD	1.3	75.81	98.0	6.0	73.5	442.9
<b>Trade payables</b>						
USD	-	75.81	-	0.4	73.5	28.8
<b>Advances to vendor</b>						
USD	0.1	75.81	11.1	0.2	73.5	12.7

#### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the company profit before tax is due to changes in the fair value of monetary assets and liabilities :-

#### Exposure gain/(loss)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Change +1%	Change -1%	Change +1%	Change -1%
<b>Trade receivables</b>				
USD	1.0	(1.0)	4.4	(4.4)
<b>Trade payables</b>				
USD	-	-	(0.3)	0.3
<b>Advances to vendor</b>				
USD	0.1	(0.1)	0.1	(0.1)



(iii)

**a) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

	On demand	Less than 3 months	3 to 12 months	1 5 Years	More than 5 Years	Total
<b>As at 31 March 2022</b>						
Trade payable	-	746.9	-	-	-	746.9
Other financial liabilities	-	29.9	-	-	-	29.9
<b>As at 31 March 2021</b>						
Interest bearing borrowings	-	-	-	-	-	-
Trade payable	-	1,122.8	-	-	-	1,122.8
Other financial liabilities	-	38.9	-	-	-	38.9

The undrawn borrowing facilities as per the banking arrangements amounts to Rs. 1,000.0 lakhs as at 31 March 2022. (previous year: Rs. 1,000.00 lakhs)

**b) 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**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customers. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and customer profile.

The Customers are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically reducing the risk of default.

The Company's review also includes financial statements, industry information, customer background etc.

**Expected credit loss on trade receivable :**

The Company's expected probability of default is not significant and all major payments are received on due dates without any significant delays. Based on internal assessment which is driven by historical experience / current facts available in relation to default in collection thereof, the expected credit loss for trade receivables is estimated to be not material.

The table below summarises the ageing bracket of trade receivables.

**Particulars**

	Gross carrying amount	Loss allowance	Carrying amount	Weighted average loss rate	Whether credit impaired
Current (not past due)	900.0	-	900.0	-	No
1-30 days past due	329.5	-	329.5	-	No
31-60 days past due	25.8	-	25.8	-	No
61-90 days past due	-	-	-	-	No
91-120 days past due	-	-	-	-	No
121-360 days past due	8.7	5.1	3.6	59%	No
More than 365 days	57.5	-	57.5	0	No
<b>Total</b>	<b>1,321.5</b>	<b>5.1</b>	<b>1,316.4</b>		

**Particulars**

	Gross carrying amount	Loss allowance	Carrying amount	Weighted average loss rate	Whether credit impaired
Current (not past due)	1,487.6	-	1,487.6	-	No
1-30 days past due	152.7	-	152.7	-	No
31-60 days past due	0.3	-	0.3	-	No
61-90 days past due	0.1	-	0.1	-	No
91-120 days past due	-	-	-	-	No
121-360 days past due	43.2	-	43.2	-	No
More than 365 days	77.9	-	77.9	-	No
<b>Total</b>	<b>1,761.8</b>	<b>-</b>	<b>1,761.8</b>		

**(ii) Others**

Credit risk from balances with banks and financial institutions is managed by the Company 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 these banks and no historical issues noted in these arrangements.

**(iii) Cash and cash equivalents**

Credit risk on cash and cash equivalents is limited as the company generally invests in deposits with banks with high repute.



**Minda Storage Batteries Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2022**  
(All amounts in ₹ lakhs, unless otherwise stated)  
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**36 Related Party Disclosure**

Related party and nature of related party relationship where control exists:-

Nature of relationship	Name of related party
Holding Company	Minda Industries Limited

(a) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Nature of relationship	Name of related party
Fellow Subsidiaries	MI Torica India Private Limited
Fellow Subsidiaries	Mindarika Private Limited
Fellow Subsidiaries	MITIL Polymers Private Limited
Enterprises in which directors/members of the Company can exercise significant influence	S.M. Auto Engineering Pvt. Ltd. Minda Onkyo India Private Limited
A firm, in which a director, manager or his relative is a partner	Minda Industries (Firm)
Key management personnel	Satish Sekhri Till September 26, 2021 Sudhir Jain Resigned w.e.f. June 10, 2021 Paridhi Minda Sanjay Jain Rajeev Gandotra (Appointed as Additional director w.e.f. June 10, 2021) Arijit Dutta (Till February 23, 2022)

(b) Details of related parties with whom transactions have taken place

Name of the related party	Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Transactions during the year</b>			
Minda Industries Limited	Other expenses	63.3	140.8
	Sale of products	9,096.2	6,574.9
	Services received	-	13.3
	Sale of property, plant and equipment	1.5	0.3
MITIL Polymers Private Limited	Purchases	78.4	241.9

Name of the related party	Nature of transaction	As at 31 March 2022	As at 31 March 2021
<b>Balance as at year end</b>			
Minda Industries Limited	Trade payables	3.1	17.6
	Trade receivables	958.2	950.2
MITIL Polymers Private Limited	Trade payables	-	53.3

(c) Key managerial personnel compensation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Directors sitting fee	1.1	2.2
Managerial remuneration*	132.2	38.0
Expense on employee stock option schemes	-	2.2
<b>Total compensation</b>	<b>133.3</b>	<b>42.4</b>

The Company has received letter of support from its Holding Company, Minda Industries Limited for providing financial support.



### 37 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 Return on capital employed ratio i.e. Earning before Interest and Tax ("EBIT") divided by Capital employed i.e Tangible Network. The Company's strategy is to ensure that the how efficiently a company is using capital to generate profits at an optimal level considering the above factors. The Return on capital employed ratios were as follows:

	As at 31 March 2022	As at 31 March 2021
EBIT	(90.9)	(178.1)
Tangible Network	11,180.2	11,271.4
<b>Return on capital employed</b>	<b>(0.01)</b>	<b>(0.02)</b>

The Company monitors the return on capital employed time to time to provide better returns to shareholders.

### 38 Fair value measurements

#### a. Financial instruments by category and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy -

Category	Level of hierarchy	As at 31 March 2022	As at 31 March 2021
<b>Amortised cost</b>			
<b>1) Financial assets at amortized cost</b>			
Trade receivables		1,316.4	1,761.8
Loans		6.2	11.0
Cash and cash equivalents		627.9	77.3
Bank deposits		105.5	180.5
Other financial assets		51.7	129.0
<b>Total</b>		<b>2,107.7</b>	<b>2,159.6</b>
<b>2) Financial liabilities at amortized cost</b>			
Trade payables		746.9	1,122.8
Other financial liabilities		29.9	38.9
<b>Total</b>		<b>776.8</b>	<b>1,161.7</b>

#### Assets and liabilities which are measured at amortised cost

1. Fair value of trade receivables, loans, cash and cash equivalents, bank deposits, other current financial assets, trade payables, other current financial liabilities and borrowings approximate their carrying amount, largely due to the short-term nature of these instruments.
2. Fair value of all other non-current assets have not been disclosed as the change from carrying amount is inconsequential.
3. There are no financial assets and liabilities valued at Fair value through profit and loss (FVTPL) and Fair value through other comprehensive income (FVOCI).

There are no transfer between level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.



### 39 Share based payments

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 previous 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. The maximum number of equity shares to be allotted under the scheme are 16,380 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:

Particulars	As at 31 March 2022
Scheme	Minda Employee Stock Option Scheme 2019
Year	2019
Date of Grant	16 May 2019
Number of Options granted	16,380 options of Equity shares of face value of Rs. 2/-each
Vesting Condition	Achieving target market capitalization of the Group on or before 31 May 2022
Exercise Period	2 Year from the date of vesting
Exercise Price (INR) per share	325/-
Fair value of the option on the date of grant (₹) per share	41.31/-

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

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding at the beginning of the year	16,380.0	25,740.0
Transferred during the year	-	9,360.0
Forfeited during the year*	(16,380.0)	-
Granted during the year	-	-
Outstanding at the end of the year	-	16,380.0
Weighted average exercise price during the year (₹) per share	NA	NA

\* Forfeited on account of employee left during the current year.

#### Fair valuation

The parent company has provided the fair valuation report done by an independent firm of valuers on the date of grant using the Binomial Model. The cost is recharged to the Company by the holding Company.

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 (%)	7.13%	7.13%
Expected life of options (years) [(year of vesting) +(contractual option term)/2]	4 years	4 years
Expected volatility (%)	41%	41%
Dividend yield	0.63%	0.63%

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.

Amount recognised in statement of profit and loss:

Employee stock option expenses

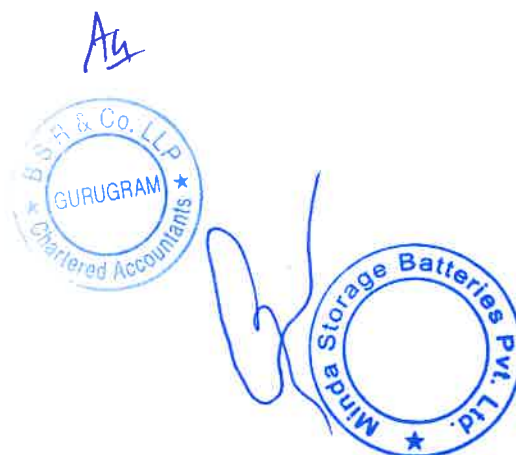
Year ended 31 March 2022      Year ended 31 March 2021





**Minda Storage Batteries Private Limited**  
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- 40 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these audited financial statements including but not limited to the recoverability of carrying amounts of financial, non-financial assets and other assets, its assessment of liquidity and going concern assumption. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these audited financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered.
- 41 The accumulated losses of the Company aggregates to Rs. 7,681.8 lakhs (Previous Rs. 7,594.5 lakhs) and the net worth of the Company is Rs. 11,178.2 lakhs (Previous year Rs. 11,265.5 lakhs). Company has cash and cash equivalents amounting Rs. 627.9 Lakhs and unused credit line of Rs. 1,000 Lakhs. Based on the past trend of growth in the business, financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and banking arrangements, the Company considers it appropriate to prepare the financial statements on a going concern basis. Additionally, the Company also has operational and financial support from the Holding Company that it would continue to provide financial support to the Company in the foreseeable future to meet its obligations, if required be, to continue on a going concern basis.
- 42 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.



**Minda Storage Batteries Private Limited**

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

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**43 Ratio Analysis and its elements**

Particular	Ratio	
	2021-2022	2020-2021
(a) <b>Current ratio= Total current assets divided by the total current liabilities</b>		
Total current assets (A)	4,050.3	3,882.4
Total current liabilities (B)	1,005.1	1,395.0
Current ratio (C = A / B)	4.03	2.78
% change from previous year	44.79%	
Remarks - The increase is mainly on account of improved cash generated from operations in current year, resulting increase in cash and cash equivalents.		
(b) <b>Return on equity ratio = (Loss) after tax divided by average total equity</b>		
(Loss) after tax (A)	(95.7)	(198.1)
Total equity as at beginning of the year (B)	11,265.5	11,455.3
Total equity as at end of the year (C)	11,178.3	11,265.5
Average equity (D = (B+C)/2)	11,221.9	11,360.4
% (return) on equity ratio [E = (A / D)*100]	-0.85%	-1.74%
% change from previous year	-51.09%	
Remarks - The improvement in Return on equity ratio is mainly on account of increased sales, which resulted in reduced loss in current year.		
(c) <b>Inventory turnover ratio = Cost of goods sold divided by average inventory</b>		
Cost of materials consumed (A)	10,899.8	8,997.5
Changes in inventories of finished goods and work-in-progress (B)	(89.0)	(339.4)
Cost of goods sold [C = A + B]	10,810.8	8,658.1
Inventory as at beginning of the year [D]	1,514.8	1,582.1
Inventory as at end of the year [E]	1,725.0	1,514.8
Average Inventory [F = (D+E)/2]	1,619.9	1,548.5
Inventory turnover ratio [G = C / F]	6.67	5.59
% change from previous year	19.36%	
(d) <b>Trade receivables turnover ratio = Revenue from operations divided by average trade receivables</b>		
Revenue from operation (A)	14,197.5	11,626.4
Trade receivable as at beginning of the year (B)	1,761.8	1,136.8
Trade receivable as at end of the year (C)	1,316.4	1,761.8
Average trade receivable [D = (B+C)/2]	1,539.1	1,449.3
Trade receivables turnover ratio [E = (A) / (D)]	9.22	8.02
% change from previous year	14.99%	
(e) <b>Trade payable turnover ratio = Purchase divided by average trade payables</b>		
Purchase of raw materials (A)	11,000.0	8,584.9
Trade payables as at beginning of the year (B)	1,122.8	916.3
Trade payables as at end of the year (C)	746.9	1,122.8
Average trade payables [D = (B+C)/2]	934.9	1,019.6
Trade payable turnover ratio [E = (A) / (D)]	11.77	8.42
% change from previous year	39.74%	
Remarks - The improvement in trade payable ratio is mainly on account of timely payment of trade payables and increased revenue from operations which resulted in positive cash flow from operations.		
(f) <b>Net capital turnover ratio = Revenue from operations divided by working capital</b>		
Revenue from operations (A)	14,197.5	11,626.4
Total current assets (B)	4,050.3	3,882.4
Total current liabilities (C)	1,005.1	1,395.0
Working capital [D = (B) - (C)]	3,045.2	2,487.4
Net capital turnover ratio [E = (A) / (D)]	4.66	4.67
% change from previous year	-0.25%	
(g) <b>Net (Loss) Ratio = (Loss) after tax divided by revenue from operations</b>		
(Loss) after tax (A)	(95.70)	(198.10)
Revenue from operations (B)	14,197.5	11,626.4
% Net (Loss) Ratio [C = (A / B)*100]	-0.67%	-1.70%
% change from previous year	-60.44%	
Remarks - The improvement in Net loss ratio is mainly on account of increased sales, which resulted in reduced loss in current year.		
(h) <b>Return on capital employed = Earning before interest and tax ("EBIT") divided by capital employed</b>		
(Loss) after tax (A)	(95.7)	(198.1)
Finance cost (B)	4.8	20.0
EBIT [C = (A) + (B)]	(90.9)	(178.1)
Total equity (D)	11,178.3	11,265.5
Intangible Assets (E)	1.9	5.9
Tangible net worth [F = (D)-(E)]	11,176.4	11,259.6
% Return on capital employed [G = {(C) / (F)}*100]	-0.81%	-1.58%
% change from previous year	-48.58%	
Remarks - The improvement in Return on capital employed is mainly on account of increased sales, which resulted in reduced loss in current year.		

\* As per requirements of schedule III, explanation has been provided for any change in the ratio by more than 25% as compared to the ratio of previous year.



44 The Company has filed quarterly statement of current assets with banks and these are in agreement with books of account for all quarters in the current year and previous year, except for:

For the year 2021-22

S No	QUARTER ENDED	Name of Bank	PARTICULAR	As per Books	As per statement filed with Banks	Difference	Reasons for deviation
1	30-Jun-21	Axis Bank	Inventory	1,490.0	1,613.4	(123.4)	Mainly due to slow moving provision and revaluation.
			Debtors	972.3	968.3	4.1	Mainly due to adjustment of advance received from customer adjusted with Debtors.
2	30-Sep-21	Axis Bank	Inventory	1,910.7	1,908.9	1.8	Mainly on account of revaluation.
			Debtors	1,647.3	1,758.8	(111.5)	Mainly due to Sales reversal.
3	31-Dec-21	Axis Bank	Inventory	1,738.0	1,833.0	(95.0)	Mainly due to slow moving provision and revaluation.
			Debtors	2,168.5	2,197.1	(28.5)	Mainly due to non - adjustment of advance in debtors.
4	31-Mar-22	Axis Bank	Inventory	1,725.0	1,801.0	(76.0)	Mainly due to slow moving provision and revaluation.
			Debtors	1,316.4	1,350.4	(34.0)	Mainly due to Sales reversal and Provision
			Sec Deposit/ Adv from customer				

Note - Company has taken a Cash credit from axis bank amounting Rs. 1,000 (previous year Rs. 1,000) which is remaining fully utilised. This limits are secured by hypothecation of entire present and future current assets of the Company as well as collateral exclusive charge on the entire present and future movable assets of the Company.



- 45 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 persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
The Company has not received any funds 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.

- 46 a) Details of title deeds of Immovable Properties not held in name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Right of Use Asset	Leasehold Land	155.0	M/s Minda Industries Limited	Holding Company	1-Apr-17	Awaiting Approval from State Industrial Development Corporation of Uttarakhand Limited for transfer

b) Other Statutory information

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

*Ankush Guel*  
for BSR & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

Ankush Guel  
Partner  
Membership No: 505121

Place: Gurugram  
Date: 16 May 2022

For and on behalf of the Board of Directors of  
Minda Storage Batteries Private Limited

*Rajesh Tiwari*  
Rajesh Tiwari  
Director  
DIN No. 00147597

*Sanjay Jain*  
Sanjay Jain  
Director  
DIN No. 00084405

*Sanjeev Kumar Shal*  
Sanjeev Kumar Shal  
Company Secretary  
Membership No: 30566

*Sanjeev Kumar Shal*  
Sanjeev Kumar Shal  
Chief Financial Officer

Place: Gurugram  
Date: 16 May 2022

Place: Gurugram  
Date: 16 May 2022

