S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Mindarika Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Mindarika Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting

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Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical

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requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on April 29, 2022.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30(a) to the Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 40(v) to the Ind AS financial statements, 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

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Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 40(vi) to the Ind AS financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 23097214BGYQNT4946
Place of Signature: Gurugram
Date: May 4, 2023

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Mindarika Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(i)(a)(B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) In accordance with a regular programme of verifying the property, plant and equipment in a phased manner over a period of two years, certain property, plant and equipment were physically verified by the management during the year and no material discrepancies were identified on such verification.

(i)(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i)(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.

(i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. For inventories lying with third parties at the year end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies were noticed that were 10% or more in aggregate for each class of inventory.

(ii)(b) As disclosed in note 14(c) to the Ind AS financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties except for loans granted to employees for which requisite information is given below:

a) The Company has provided loans to employees as below:

(Rs. in crores)

Aggregate amount granted/ provided during the year to employees	2.11
Balance outstanding as at March 31, 2023	1.09

b) The terms and conditions of the grant of loans provided during the year are not prejudicial to the Company's interest.

c) The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

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d) There are no amounts of loans granted to employees which are overdue for more than ninety days.

e) There were no loans granted to employees which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to employees.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, related to the manufacturing of auto electrical switches and other automotive components, and are of the opinion that prime facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii)(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of Statue	Nature of Dues	Amount (in Rs. crores)	Period to which amount related	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty demand	0.31	February 2014 to June 2017	CESTAT, New Delhi

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) The Company did not have any term loans outstanding during the year. Hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix)(e & f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

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(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud / material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi)(d) There are no other companies as a part of the Group. Hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 39 to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when

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they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to Sub-section 5 of Section 135 of the Act. This matter has been disclosed in note 29 to the Ind AS financial statements.

(xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of Sub-section (6) of Section 135 of Companies Act. This matter has been disclosed in note 29 to the Ind AS financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 23097214BGYQNT4946
Place of Signature: Gurugram
Date: May 4, 2023

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ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF MINDARIKA PRIVATE LIMTED

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

We have audited the internal financial controls with reference to IND AS financial statements of Mindarika Private Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

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Inherent Limitations of Internal Financial Controls with reference to Financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these Ind AS financial statements and such internal financial controls with reference to these Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 23097214BGYQNT4946
Place of Signature: Gurugram
Date: May 4, 2023

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Mindarika Private Limited
Balance Sheet as at 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	164.58	140.53
Capital work in progress	4	35.02	7.25
Intangible assets	6	6.35	6.53
Right-of-use assets	5	14.87	14.79
Intangible assets under development	6	1.56	0.72
Financial assets			
Other financial assets	11	1.91	2.13
Deferred tax assets (net)	15	4.56	1.82
Income tax asset (net)	12A	1.34	2.36
Other non-current assets	7	2.46	1.38
Total non-current assets (A)		**232.65**	**177.51**
Current assets			
Inventories	8	175.40	137.35
Financial assets			
Trade receivables	9	171.43	133.66
Cash and cash equivalents	10	15.47	40.25
Other financial assets	11	1.33	0.81
Other current assets	7	9.13	10.35
Total current assets (B)		**372.76**	**322.42**
Total assets (A+B)		**605.41**	**499.93**
Equity and Liabilities			
Equity			
Equity share capital	13A	10.00	10.00
Other equity	13B	310.78	255.41
Total equity (A)		**320.78**	**265.41**
Liabilities			
Non- current liabilities			
Financial liabilities			
Lease liabilities	5	20.84	23.19
Other financial liabilities	19	0.74	-
Provisions	16	7.46	9.50
Deferred government grants	17	2.54	2.79
Total non- current liabilities (B)		**31.58**	**35.48**
Current liabilities			
Financial liabilities			
Borrowings	14	23.02	11.07
Lease liabilities	5	2.35	2.01
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	18	32.76	39.61
Total outstanding dues of creditors other than above		158.86	116.56
Other financial liabilities	19	8.32	6.61
Provisions	16	8.37	3.92
Deferred government grants	17	0.25	0.25
Other current liabilities	20	18.27	19.01
Current tax liabilities (net)	12B	0.85	-
Total current liabilities (C)		**253.05**	**199.04**
Total liabilities (D) = (B+C)		**284.63**	**234.52**
Total equity and liabilities (A+D)		**605.41**	**499.93**

Summary of significant accounting policies (refer note 3)
The accompanying notes are an integral part of these financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

Amit Kumar Jain
Partner
Membership No. : 097214

Place: Gurugram
Date: 4 May 2023

S.R. BATLIBOI & CO. LLP * GURUGRAM *

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Anil Singh Makhloga
Director
DIN No: 03225184

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

Mindarika Private Limited
Statement of Profit and Loss for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

	Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
	Income			
I	Revenue from contracts with customers	21	1,247.63	887.69
II	Other income	22	2.12	4.99
III	**Total income (I)+(II)**		**1,249.75**	**892.68**
IV	**Expenses**			
	Cost of raw materials and components consumed	23	865.05	597.57
	Purchase of traded goods	24	2.86	2.37
	(Increase) in inventories of finished goods and work-in-progress	25	(9.85)	(8.78)
	Employee benefits expense	26	142.96	109.45
	Finance costs	27	2.47	2.36
	Depreciation and amortisation expense	28	31.09	26.43
	Other expenses	29	119.43	91.56
	Total expenses		**1,154.01**	**820.96**
V	**Profit before tax (III)-(IV)**		**95.74**	**71.72**
VI	**Tax expense**			
	(1) Current tax expense	15	26.73	18.72
	(2) Deferred tax credit	15	(2.70)	(1.04)
	Income tax expense		**24.03**	**17.68**
VII	**Profit for the year (V)-(VI)**		**71.71**	**54.04**
VIII	**Other comprehensive income**			
	Items that will not to be reclassified to profit or loss in subsequent periods:			
	Re-measurement (losses) on defined benefit plans		(0.17)	(0.37)
	Income tax effect		0.04	0.09
	Other comprehensive income for the year, net of tax		**(0.13)**	**(0.28)**
IX	**Total comprehensive income for the year (VII)+(VIII)**		**71.58**	**53.76**
	Earnings per share (in ₹)			
	Basic	32A	71.71	54.04
	Diluted	32A	71.71	54.04

Summary of significant accounting policies (refer note 3)
The accompanying notes are an integral part of these financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

Amit Kumar Jain
Partner
Membership No. : 097214

Place: Gurugran
Date: 4 May 2023

S.R. BATLIBOI & CO. LLP * GURUGRAM *

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Anil Singh Makhloga
Director
DIN No: 03225184

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

Mindarika Private Limited
Statement of Cash Flow for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flow from operating activities		
Profit before tax	95.74	71.72
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	31.09	26.43
Property, plant and equipment written off	0.08	0.05
Provision for doubtful trade receivables	0.11	0.06
Net gain on sale of property, plant and equipments	(0.57)	(3.19)
Liabilities/ provision written back	(0.13)	(0.15)
Provisions for doubtful trade receivables written back	(0.06)	(0.04)
Bad trade receivables, other receivables and advances written off	0.18	0.39
Finance costs	2.47	2.36
Interest received	(0.68)	(0.26)
Operating profit before working capital changes	**128.23**	**97.37**
Working capital adjustments:		
(Increase) in inventories	(38.05)	(47.28)
(Increase) in trade receivables	(38.00)	(31.17)
(Increase)/ decrease in loans and other financial assets	(0.30)	0.49
Decrease/ (increase) in other assets	1.21	(1.20)
Increase in trade payables	35.58	46.82
Increase in other financial liabilities	1.29	0.91
Increase/ (decrease) in provisions	2.24	(1.03)
(Decrease)/increase in other liabilities and government grants	(9.69)	8.05
	(45.72)	**(24.41)**
Cash generated from operations	**82.51**	**72.96**
Income tax paid, net of refund	(24.85)	(19.31)
Net cash generated from operating activities	**57.66**	**53.65**
B. Cash flow from investing activities:		
Purchase of property, plant and equipment and intangibles (including capital work in progress and capital advances)	(82.59)	(24.56)
Acquisition of right-of-use asset	(1.55)	-
Proceeds from sale of property, plant and equipment	1.06	3.06
Advance against sale of property, plant and equipment	8.70	-
Interest received	0.68	0.26
Net cash (used in) investing activities	**(73.70)**	**(21.24)**
C. Cash flows from financing activities		
Proceeds from short-term borrowings (net)	11.95	1.55
Finance cost paid	(2.47)	(2.36)
Payment of principal portion of lease liabilities	(2.01)	(3.92)
Dividend paid	(16.21)	(10.32)
Net cash (used in) financing activities	**(8.74)**	**(15.05)**
Net (decrease)/increase in cash and cash equivalents	**(24.78)**	**17.36**
Cash and cash equivalents at the beginning of the year	40.25	22.89
Cash and cash equivalents at the end of the year	15.47	40.25

S.R. BATLIBOI & CO. LLP
GURUGRAM

Mindarika Private Limited
Statement of Cash Flow for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

Components of cash and cash equivalents:-		
Cash on hand	0.01	0.01
Balance with banks:		
- current account	8.94	10.28
- cash credit account	6.51	3.96
- deposits with original maturity of upto three months	0.01	26.00
Total cash and cash equivalents (refer note 10)	15.47	40.25

Summary of significant accounting policies (refer note 3)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

Amit Kumar Jain
Partner
Membership No. : 097214

Place: Gurugran
Date: 4 May 2023

S.R. BATLIBOI & CO. LLP * GURUGRAM *

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Anil Singh Makhloga
Director
DIN No: 03225184

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

Mindarika Private Limited
Statement of changes in equity for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

A. Equity share capital

For the year ended 31 March 2023

Equity shares of ₹ 10 each issued, subscribed and fully paid	Number of shares	Amount
At 1 April 2022	1,00,00,000	10.00
Changes in equity share capital during the year	-	-
At 31 March 2023	1,00,00,000	10.00

For the year ended 31 March 2022

Equity shares of ₹ 10 each issued, subscribed and fully paid	Number of shares	Amount
At 1 April 2021	1,00,00,000	10.00
Changes in equity share capital during the year	-	-
At 31 March 2022	1,00,00,000	10.00

B. Other equity

Particulars	General Reserve	Capital Reserve	Retained earnings	Total
As at 1 April 2021	6.55	0.09	205.33	**211.97**
Profit for the year	-	-	54.04	**54.04**
Other comprehensive income, net of tax	-	-	(0.28)	**(0.28)**
Less:-Final dividend (₹10.32 per equity share)	-	-	(10.32)	**(10.32)**
Balance as at 31 March 2022	**6.55**	**0.09**	**248.77**	**255.41**
Profit for the year	-	-	71.71	**71.71**
Other comprehensive income, net of tax	-	-	(0.13)	**(0.13)**
Less:-Final dividend (₹16.21 per equity share)	-	-	(16.21)	**(16.21)**
Balance as at 31 March 2023	**6.55**	**0.09**	**304.14**	**310.78**

Summary of significant accounting policies (refer note 3)
The accompanying notes are an integral part of these financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

Amit Kumar Jain
Partner
Membership No. : 097214

Place: Gurugran
Date: 4 May 2023

S.R. BATLIBOI & CO. LLP * GURUGRAM *

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Anil Singh Makhloga
Director
DIN No: 03225184

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

1. Corporate information

Mindarika Private Limited ("the Company") is a private limited company incorporated on 9 November 1995 under the Companies Act, 1956. It was a Joint venture between UNO Minda Limited (formerly known as Minda Industries Limited) and Tokai Rika Co. Limited, Japan. The Company became subsidiary of UNO Minda Limited w.e.f. 1 January 2018. The Company is primarily engaged in the business of manufacturing of automotive electronic switches and other automotive components. The registered office of the Company is B-64/1, Wazirpur Industrial Area, Delhi – 110052 India.

Information on other related party relationships of the Company is provided in Note 38.

The financial statements were approved for issue in accordance with a resolution of the directors on May 4, 2023.

2. Significant accounting policies

A. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements are presented in INR and all values are rounded to the nearest crores (INR 00,00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

B. Basis of measurement

The financial statements have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair value as required under relevant Ind AS.

C. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the reported amounts of revenues, assets, liabilities, expenses and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Assessment of lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Revenue from contracts with customers

The Company applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Certain contracts for the sale of products include a right of price revision on account of change of commodity prices/purchase price that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

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The Company determined that the most likely method is the appropriate method to use in estimating the variable consideration for the sale of products. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Estimates and assumptions

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

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Property, plant and equipment and intangible assets

The useful lives and residual values of property, plant and equipment and intangible assets are determined by the management based on technical assessment by the management. The Company believes that the derived useful life best represents the period over which the Company expects to use these assets.

Gratuity benefit

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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the country. Future salary increases and pension increases are based on expected future inflation rates for the country. Further details about the assumptions used, including a sensitivity analysis, are given in note 33.

Impairment of financial assets

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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

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The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are also relevant to other intangibles. During the year, the Company has done the impairment assessment of non-financial assets and have concluded that there is no impairment in value of non-financial assets as appearing in the financial statements.

Lease incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore its incremental borrowing rate (IBR) to measure lease liability. The IBR is the rate of interest that the Company would have to pay to borrow over similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right of use assets in a similar economic environment. The IBR therefore effects what the Company "would have to pay" which requires estimates when no observable rates are available or when they need to be adjusted to reflect the term and conditions of the lease. The Company estimates the IBR using observable inputs such as market interest rates when available.

Provision for warranty

Warranty provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

3. Summary of Significant accounting policies

A. Current versus non-current classification

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

Assets

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised 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.

Liabilities

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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Operating cycle

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

B. Foreign currency transactions

Functional and presentation currency

These Company's financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All amounts have been rounded-off to the nearest crores and two decimal thereof, unless otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

C. Fair value measurement

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

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.
External valuers are involved for valuation of significant assets, if any.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents, if any.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

D. Financial instruments

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

Financial assets

Initial Recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (J) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Financial Assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or
(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

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

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings and lease liabilities

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss

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• Financial liabilities at amortised cost (loans and borrowings)

Financial Liabilities at fair value through profit or loss

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting

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 realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in statement of profit and loss.

E. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company had elected Ind AS 101 exemption and continued with the carrying value for all of its property, plant and equipment and capital work in progress as its deemed cost as at the date of transition.

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ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

iii. Capital work in progress

Capital work in progress comprises the cost of tangible and intangible assets that are not ready for their intended use at the reporting date.

iv. Depreciation

Depreciation on building, tools and dies, leasehold improvement and leasehold land is provided on straight line basis and depreciation on other items of property, plant and equipment is provided on written down value basis over the estimated useful lives as prescribed in Schedule II to the Companies Act, 2013 or as estimated by the management. The Company has used the following useful lives to provide depreciation on its Property, plant and equipment:

Particulars	Management estimate of useful life (years)	Useful life as per Schedule II of Companies Act, 2013 (years)
Building	30	30
Plant & Machinery	5 to 15	15
Furniture and fixtures	10	10
Vehicles	8/10	8/10
Office equipment	5	5
Server & Network	3	3
End user devices, such as desktops, laptops, etc.	3	3

Freehold land is not depreciated.

The Company based on management estimate depreciate certain items of plant & Machinery over the estimated useful lives which are different from the useful life prescribed in Schedule II of Companies Act 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate. In particular, the Company considers the impact of heath, safety and environment legislation in its assessment of expected useful lives and estimated residual values.

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.

F. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets are assessed as finite.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives are as follows:

- Software	3 years
- Technical know-how	6 years

Intangible assets are amortised on a straight-line basis over the estimated useful economic life. Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognized.

G. Impairment

Impairment of financial instruments

i. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as an expense in the statement of profit and loss.

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ii. **Impairment of non-financial assets**

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

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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 amortisation, if no impairment loss had been recognised.

H. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g.,

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changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

I. Inventories

Inventories are valued at the lower of cost and net realisable value.

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

- **Raw Materials, components, stores and spares:-** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

- **Finished goods and work in progress:-** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost of direct materials is determined on moving weighted average basis.

- **Traded goods, Tools and Moulds** : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less 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 from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Goods and services tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Revenue from sale of goods

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

(ii) Revenue from sale of services

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

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(iii) Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (D) Financial instruments – initial recognition and subsequent measurement

(iv) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

K. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Gratuity is a defined benefit obligation. The Company accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary. Gratuity liability of an employee, who leaves the Company before the close of the year and which is remaining unpaid, is provided on actual computation basis.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service. The entire leave obligations are presented as current liabilities in the balance sheet as the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

(i) Share-based payments

The holding company of the Company has implemented an Employee Stock Option Scheme under which certain senior employees of the Company are also covered. The cost under the scheme is determined at the fair value of the option on the date when the grant is made using an appropriate valuation model. Further details are given in Note 41.

L. Government Grants

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

M. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

N. Provisions and contingencies

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of the time is recognised as finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Warranty

A provision for warranties is recognized when the underlying products are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all the possible outcomes by their associated probabilities.

(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.

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O. Income taxes

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

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

▶ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

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

P. 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.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Q. 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 recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

S. Dividend

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

T. New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(i) Ind AS 103 – Reference to Conceptual Framework

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(ii) Ind AS 16 – Property, Plant and Equipment: Proceeds before intended use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the financial statements of the Company as there were no sales of such items

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produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iii) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the financial statements of the Company as there were no onerous contracts entered during the period.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

v) Ind AS 41 Agriculture - Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments had no impact on the financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.

U. Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

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The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction -Amendments to Ind AS 12

The amendments to IND AS 12 narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023. The Company is currently assessing the impact of the amendments.

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4. Property, plant and equipment and capital work in progress

(i) Reconciliation of carrying amount

Particulars	Freehold land	Building	Leasehold improvements	Plant and equipment*	Furniture and fixtures	Vehicles	Office equipment	Computers	Total	Capital work in progress
Gross block										
As at 1 April 2021	10.71	57.52	2.48	166.65	1.15	1.51	1.57	3.31	244.90	1.28
Add: Additions	-	-	-	21.55	0.03	0.12	0.04	0.65	22.39	7.25
Less: Disposals /adjustments	-	-	-	(0.79)	(0.09)	(0.01)	-	(0.03)	(0.92)	(1.28)
As at 31 March 2022	**10.71**	**57.52**	**2.48**	**187.41**	**1.09**	**1.62**	**1.61**	**3.93**	**266.37**	**7.25**
Add: Additions	18.58	-	-	30.09	0.40	-	0.17	1.44	50.68	49.26
Less: Disposals /adjustments	-	-	-	(0.68)	(0.02)	(0.17)	(0.06)	(0.31)	(1.24)	(21.49)
As at 31 March 2023	**29.29**	**57.52**	**2.48**	**216.82**	**1.47**	**1.45**	**1.72**	**5.06**	**315.81**	**35.02**
Accumulated depreciation										
As at 1 April 2021	-	10.05	1.08	87.42	0.72	0.66	1.19	2.72	103.84	-
Add: Depreciation charge for the year	-	2.50	0.03	19.36	0.10	0.30	0.12	0.32	22.74	-
Less: disposals / adjustments	-	-	-	(0.63)	(0.08)	(0.01)	-	(0.02)	(0.74)	-
As at 31 March 2022	-	**12.55**	**1.11**	**106.15**	**0.74**	**0.95**	**1.31**	**3.02**	**125.83**	-
Add: Depreciation charge for the year	-	2.11	0.03	22.67	0.16	0.21	0.14	0.75	26.07	-
Less: disposals / adjustments	-	-	-	(0.20)	(0.01)	(0.15)	(0.05)	(0.26)	(0.67)	-
As at 31 March 2023	-	**14.66**	**1.14**	**128.62**	**0.89**	**1.01**	**1.40**	**3.51**	**151.23**	-
Net block										
As at 31 March 2023	**29.29**	**42.86**	**1.34**	**88.20**	**0.58**	**0.44**	**0.32**	**1.55**	**164.58**	**35.02**
As at 31 March 2022	**10.71**	**44.97**	**1.37**	**81.26**	**0.35**	**0.67**	**0.30**	**0.91**	**140.53**	**7.25**

* Includes government grant in plant and equipment as on 31 March 2023: gross block: ₹ 0.79 crores (31 March 2022 ₹ 0.79 crores). accumulated depreciation: ₹ 0.61 crores (31 March 2022 ₹ 0.58 crores).

Note:

(i) On transition to Ind AS. the Company had elected to continue with the carrying value of all properties. plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property. plant and equipment.

(ii) The Company does not hold any immovable property which is not held in the name of the Company as at 31 March 2023.

(All figures are in ₹ crore unless otherwise stated)

4(ii) Capital work in progress ageing schedule

As at 31 March 2023

(i) For Capital-work-in progress (CWIP), ageing schedule as under:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	35.02	-	-	-	35.02
Projects temporarily suspended	-	-	-	-	-
Total	**35.02**	-	-	-	**35.02**

As at 31 March 2022

(i) For Capital-work-in progress, ageing schedule as under:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.25	-	-	-	7.25
Projects temporarily suspended	-	-	-	-	-
Total	**7.25**	-	-	-	**7.25**

Note : All the above projects are neither overdue, nor exceeded its cost compared to its approved budget.

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(All figures are in ₹ crore unless otherwise stated)

5 Right-of-use assets and Lease liabilities

The Company has entered into commercial leases of land, building and solar panels. Leases entered for land usage has life of 99 years, lease entered for building has a life of 16 years with renewal option included in the contract and lease contract entered for solar panels is for 15 years. There are no restrictions placed upon the Company by entering into these leases. The Company has availed exemption available as per Ind AS 116 for leased building which has lease period of 11 months. The Company has opted for the exemption of short term leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold Land	Building	Plant and machinery	Total
As at 1 April 2021	2.32	12.37	6.05	20.74
Less: Disposals /adjustments	-	(1.04)	-	(1.04)
As at 31 March 2022	**2.32**	**11.33**	**6.05**	**19.70**
Add: Additions	1.55	-	-	1.55
As at 31 March 2023	**3.87**	**11.33**	**6.05**	**21.25**
Accumulated Depreciation				
As at 1 April 2021	0.08	3.31	0.07	3.46
Add: Depreciation charge for the year	0.02	1.03	0.40	1.45
As at 31 March 2022	**0.10**	**4.34**	**0.47**	**4.91**
Add: Depreciation charge for the year	0.03	1.04	0.40	1.47
As at 31 March 2023	**0.13**	**5.38**	**0.87**	**6.38**
Net carrying value				
As at 31 March 2023	**3.74**	**5.95**	**5.18**	**14.87**
As at 31 March 2022	**2.22**	**6.99**	**5.58**	**14.79**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As at 1 April	25.20	27.94
Lease modification impact	-	(1.04)
Accretion of interest	2.06	2.22
Payments	(4.07)	(3.92)
As at 31 March	**23.19**	**25.20**
Current	2.35	2.01
Non Current	20.84	23.19
Total	**23.19**	**25.20**

The maturity analysis of contractual undiscounted cash flow in respect of lease recognised under IND AS 116-

31 March 2023

Particulars	Less than 1 year	1 to 5 years	More than 5 year
Building	3.50	15.83	3.35
Plant and Machinery	0.73	2.87	5.37
Total cash outflow	4.23	18.70	8.72

31 March 2022

Particulars	Less than 1 year	1 to 5 years	More than 5 year
Building	3.33	15.08	7.60
Plant and Machinery	0.74	2.90	6.07
Total cash outflow	4.07	17.98	13.67

Following are the amounts recognised in the statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on right-of-use assets	1.47	1.45
Interest expense on lease liabilities	2.06	2.22
Expenses related to short-term leases (included in other expenses)	1.16	1.09

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(All figures are in ₹ crore unless otherwise stated)

6 **Intangible assets**

a. **Reconciliation of carrying amount**

Particulars	Software	Technical know how	Total
Gross carrying value			
As at 1 April 2021	8.39	9.89	18.28
Add: Additions during the year	0.18	0.70	0.88
As at 31 March 2022	**8.57**	**10.59**	**19.16**
Add: Additions during the year	0.44	2.93	3.37
Less: Disposals / adjustments during the year	(0.01)	-	(0.01)
As at 31 March 2023	**9.00**	**13.52**	**22.52**
Accumulated amortisation			
As at 1 April 2021	5.99	4.40	10.39
Add: Amortisation charge for the year	0.87	1.37	2.24
As at 31 March 2022	**6.86**	**5.77**	**12.63**
Add: Amortisation charge for the year	1.66	1.89	3.55
Less: On disposals / adjustments during the year	(0.01)	-	(0.01)
As at 31 March 2023	**8.51**	**7.66**	**16.17**
Net carrying value			
As at 31 March 2023	**0.49**	**5.86**	**6.35**
As at 31 March 2022	**1.71**	**4.82**	**6.53**

b. **Intangible assets under development**

Particulars	As at 31 March 2023	As at 31 March 2022
- Technical know how	1.56	0.72
	1.56	**0.72**

c. **Intangible asset under development ageing schedule**
As at 31 March 2023

(i) For Intangible assets under development, ageing schedule as under:

Particulars	Amount for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Projects in progress	1.56	-	-	-	1.56
- Projects temporarily suspended	-	-	-	-	-
Total	1.56	-	-	-	1.56

As at 31 March 2022

(i) For Intangible assets under development, ageing schedule as under:

Particulars	Amount for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Projects in progress	0.09	0.63	-	-	0.72
- Projects temporarily suspended	-	-	-	-	-
Total	0.09	0.63	-	-	0.72

Note : All the above projects are neither overdue, nor exceeded its cost compared to its approved budget.

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7 Other assets

(Unsecured, considered good)

	Particulars	As at 31 March 2023	As at 31 March 2022
(A)	**Non-current**		
	Capital advances		
	- to a related party (refer note 38)	-	0.05
	- to other than related party	2.46	1.32
	Prepaid expenses	-	0.01
	Total (A)	**2.46**	**1.38**
(B)	**Current**		
	Advances to suppliers		
	- to a related party (refer note 38)	0.15	0.19
	- to other than related party	1.96	4.96
	Prepaid expenses	2.29	1.24
	Balance with government authorities	4.72	3.95
	Others	0.01	0.01
	Total (B)	**9.13**	**10.35**
	Total (A) + (B)	**11.59**	**11.73**

8 Inventories

a) Details of inventories:

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials and components (including goods in transit of ₹ 20.79 crores (31 March 2022: ₹ 17.22 crores))	118.35	94.29
Work in progress	13.83	8.99
Finished goods	20.42	13.12
Tools and moulds	11.70	13.99
Stores and spares	11.10	6.96
	175.40	137.35

b) Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

c) Inventories are valued at lower of cost and net realisable value.

(All figures are in ₹ crore unless otherwise stated)

9 Trade receivables

a) Details of Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured and considered good, unless otherwise stated		
- from related parties (refer note 38)	23.94	18.72
- from others	147.49	114.94
Credit impaired		
- from others	0.11	0.06
	171.54	133.72
Loss allowance - credit impaired	(0.11)	(0.06)
Total (net)	**171.43**	**133.66**

b) Trade receivables are non-interest bearing and are generally on terms of 30-60 days.

c) **Trade receivables ageing schedule**

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables-Considered good	120.80	48.63	2.00	-	-	-	171.43
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables-Credit impaired	-	-	0.11	-	-	-	0.11
Disputed Trade Receivables-Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- Credit impaired	-	-	-	-	-	-	-
Total	**120.80**	**48.63**	**2.11**	-	-	-	**171.54**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables-Considered good	104.94	28.69	0.03	-	-	-	133.66
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables-Credit impaired	-	-	0.06	-	-	-	0.06
Disputed Trade Receivables-Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- Credit impaired	-	-	-	-	-	-	-
Total	104.94	28.69	0.09	-	-	-	133.72

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(All figures are in ₹ crore unless otherwise stated)

10 Cash and cash equivalents

A. Breakup of Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- current accounts	8.94	10.28
- cash credit account	6.51	3.96
- Deposits with original maturity of upto three months	0.01	26.00
Cash on hand	0.01	0.01
	15.47	40.25

B. Changes in liabilities arising from financing activities

As at 31 March 2023

Particulars	Opening Balance	Additions	Cash Flows	Other	Closing Balance
Current borrowings	11.07	11.95	-	-	23.02
Current lease liabilities (note 5)	2.01	-	(2.01)	2.35	2.35
Non-current lease liabilities (note 5)	23.19	-	-	(2.35)	20.84
Total	36.27	11.95	(2.01)	-	46.21

As at 31 March 2022

Particulars	Opening Balance	Additions	Cash Flows	Other	Closing Balance
Current borrowings	9.52	1.55	-	-	11.07
Current lease liabilities (note 5)	1.77	-	(1.77)	2.01	2.01
Non-current lease liabilities (note 5)	26.17	-	-	(2.01)	24.16
Total	37.46	1.55	(1.77)	-	37.24

The 'Other' column includes the effect of reclassification of non-current portion of lease liabilities to current due to the passage of time.

11 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Bank deposits (due to maturity after 12 months from the reporting date)	0.40	0.40
Loan to employees	0.06	0.12
Security deposits-related parties (refer note 38)	0.32	0.30
Security deposits-others	1.13	1.31
Total (A)	**1.91**	**2.13**
Current		
Loan to employees	1.03	0.51
Security deposits	0.04	0.03
Export and other incentives receivable	0.22	0.23
Interest accrued on fixed deposits	0.04	0.04
Total (B)	**1.33**	**0.81**
Total (A+B)	**3.24**	**2.94**

12A Income tax asset (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Income tax asset (net)	1.34	2.36
Total	1.34	2.36

12B Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liabilities	0.85	-
Total	0.85	-

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Mindarika Private Limited
Notes to financial statements for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

13A Equity Share capital

a) Details of share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised equity share capital				
Equity shares of ₹10/- each	1,50,00,000	15.00	1,50,00,000	15.00
Issued, subscribed and paid up				
Equity shares of ₹10/- each	1,00,00,000	10.00	1,00,00,000	10.00

b) Reconciliation of outstanding equity shares at the beginning and at the end of the reporting year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	1,00,00,000	10.00	1,00,00,000	10.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**1,00,00,000**	**10.00**	**1,00,00,000**	**10.00**

c) Shares held by the holding company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
UNO Minda Limited (Formerly known as Minda Industries Limited)	51,00,000	51%	51,00,000	51%

d) Terms and rights 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 declares and pays dividend 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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
UNO Minda Limited (Formerly Known as Minda Industries Limited)	51,00,000	51%	51,00,000	51%
Tokai Rika Co. Ltd. Japan	37,00,000	37%	37,00,000	37%
Mr. Nirmal Kumar Minda	12,00,000	12%	12,00,000	12%

f) As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

g) Details of shares held by promoters

As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of	% of Total shares	% Change
UNO Minda Limited (Formerly known as Minda Industries Limited)	51,00,000	-	51,00,000	51%	0.00%
Tokai Rika Co. Ltd. Japan	37,00,000	-	37,00,000	37%	0.00%
Mr. Nirmal Kumar Minda	12,00,000	-	12,00,000	12%	0.00%

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of	% of Total shares	% Change
UNO Minda Limited (Formerly known as Minda Industries Limited)	51,00,000	-	51,00,000	51%	0.00%
Tokai Rika Co. Ltd. Japan	37,00,000	-	37,00,000	37%	0.00%
Mr. Nirmal Kumar Minda	12,00,000	-	12,00,000	12%	0.00%

h) The members in their annual general meeting dated 20 June 2022 declared dividend of ₹ 16.21 per share for the financial year ended 31 March 2022 amounting to ₹ 16.21 crores

(All figures are in ₹ crore unless otherwise stated)

13B Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Reserve	0.09	0.09
General reserves	6.55	6.55
Retained earnings	304.14	248.77
Total	**310.78**	**255.41**

Nature and purpose of other reserves

(i) Retained earnings

Retained earnings are the profits that the Company has earned/incurred till date, less dividends paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

(ii) General Reserves

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iii) Capital Reserve

The excess of net assets taken over the consideration paid, if any, is treated as capital reserve. This capital reserve has arisen as a result of scheme of amalgamation in the past periods.

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14 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings		
Loan from banks		
Secured		
– Working capital loan (refer note (a))	10.00	-
– Others (refer note (b))	13.02	11.07
	23.02	11.07

(a) Current borrowings repayment schedule and security

Name of Bank	Nature of Security	Rate of interest	Maturity	As at 31 March 2023	As at 31 March 2022
Mizuho Bank	1st pari passu charge on current assets of the Company ranking pari passu with other banks	8.20%	10 April 2023	10.00	-

(b) pertains to obligation against bills discounted and remaining unsettled as at year end from HDFC Bank.

(c) The Company has been sanctioned working capital limits in excess of INR 5 Crores in aggregate from banks during the year on the basis of security of current assets of the Company and quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

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(All figures are in ₹ crore unless otherwise stated)

15 Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Expenses allowed on payment basis	3.95	3.35
Provision for doubtful debts	0.03	0.01
Lease liabilities	5.84	6.60
Deferred Government Grant	0.70	0.77
Others	0.08	0.08
Deferred tax assets	**10.60**	**10.81**
Property plant and equipment, intangibles and right-of-use assets	(6.04)	(8.99)
Deferred tax liabilities	**(6.04)**	**(8.99)**
Deferred tax assets (net)	**4.56**	**1.82**

Movement of deferred tax assets:

Particulars	Expenses allowed on payment basis	Provision for doubtful debts	Lease liabilities	Deferred Government Grant	Property plant and equipment, intangibles and right-of-use assets	Others	Total
Balance as at 1 April 2021	3.16	0.01	7.14	0.67	(10.36)	0.06	0.68
(Charged)/credited:							
- to profit or loss	0.10	-	(0.54)	0.10	1.37	0.02	1.05
- to other comprehensive income	0.09	-	-	-	-	-	0.09
As at 31 March 2022	**3.35**	**0.01**	**6.60**	**0.77**	**(8.99)**	**0.08**	**1.82**
(Charged)/credited:							
- to profit or loss	0.56	0.02	(0.76)	(0.07)	2.95	-	2.70
- to other comprehensive income	0.04	-	-	-	-	-	0.04
As at 31 March 2023	**3.95**	**0.03**	**5.84**	**0.70**	**(6.04)**	**0.08**	**4.56**

The particulars of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:

Statement of profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Tax expense		
Current tax	26.73	18.72
Deferred tax	(2.70)	(1.04)
Income tax expense reported in the statement of profit or loss	**24.03**	**17.68**

Other Comprehensive income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Re-measurement losses on defined benefit plans	0.04	0.09
Deferred tax charged to OCI	**0.04**	**0.09**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	95.74	71.72
Tax using Company's domestic tax rate	25.168%	25.168%
Expected income tax expense	24.10	18.05
Tax adjustments related to earlier year	0.54	(0.63)
Tax impact on items not deductible under Income Tax	0.38	0.26
Additional deductions under Income Tax, Act*	(0.99)	-
Income Tax expense	**24.03**	**17.68**

* In respect of shares issued to the employees of the Company under the ESOP scheme of UNO Minda Limited, the holding company.

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(All figures are in ₹ crore unless otherwise stated)

16 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Provision for employee benefits		
- Provision for compensated absences	-	1.97
- Provision for gratuity (refer note 33)	6.50	6.66
Other provisions		
- Provision for warranty*	0.96	0.87
Total (A)	7.46	9.50
Current		
Provision for employee benefits		
- Provision for compensated absences	5.18	2.36
- Provision for gratuity (refer note 33)	1.62	-
Other provisions		
- Provision for warranty*	1.57	1.56
Total (B)	8.37	3.92
Total (A+B)	15.83	13.42

Provision for warranty

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	2.43	3.12
Provisions made during the year	1.51	0.27
Provisions utilised/ reversed during the year	(1.41)	(0.96)
Balance at the end of the year	2.53	2.43

* 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. Un-utilised provision is reversed on expiry of the warranty period.

17 Deferred government grants

Particulars	As at 31 March 2023	As at 31 March 2022
At the beginning of the year	3.04	2.64
Received during the year	-	0.83
Released to statement of profit and loss	(0.25)	(0.43)
At the end of the year	2.79	3.04
Current	0.25	0.25
Non-current	2.54	2.79
	2.79	3.04

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18 Trade payables

a) Details of Trade payables:

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	32.76	39.61
Total outstanding dues of creditors other than above	158.86	116.56
	191.62	156.17

b) Trade payables are non-interest bearing and are normally settled in 30-90 days terms

c) Trade payables to related parties amounts to as at 31 March 2023 ₹ 60.21 crores (31 March 2022 ₹ 37.60 crores) (refer note 38).

d) Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	32.76	39.61
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

e) Trade payables ageing schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	32.76	-	-	-	32.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	33.62	125.20	0.04	-	-	158.86
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	33.62	157.96	0.04	-	-	191.62

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	39.61	-	-	-	39.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	25.21	91.03	0.20	0.12	-	116.56
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	25.21	130.64	0.20	0.12	-	156.17

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19 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(A) Non-current		
Deferred payment liabilities (refer note 1 below)	0.74	-
Total (A)	**0.74**	-
(B) Current		
Employee related payables	5.12	4.70
Deferred payment liabilities (refer note 1 below)	0.13	-
Payable against capital goods	3.07	1.91
Total (B)	**8.32**	**6.61**
Total (A+B)	**9.06**	**6.61**

Note 1: The Company is setting up a plant in Farrukh Nagar, Gurugram, Haryana. During the year, the Company has received demand from forest department to pay INR 1.50 Crores in 10 years in installments starting from FY 2022-23 for conservation of environment. The Company has paid INR 0.30 Crore during the year. For balance amount, the Company has recognised deferred payment liability measured at present value using incremental borrowing rate.

c) Break up of financial liabilities carried at amortised cost

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings	23.02	11.07
Trade payables	191.62	156.17
Lease liabilities	23.19	25.20
Other financial liabilities	9.06	6.61
	246.89	**199.05**

20 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Advances from customers*	4.47	15.85
Advance against sale of property, plant and equipment from a related party (refer note 1 below and note 38)	8.70	-
Statutory dues	5.10	3.16
Total other current liabilities	**18.27**	**19.01**

*including NIL (March 31, 2022: ₹ 11.81 crores) from related parties (refer note 38).

Note 1: During the year, the Company has entered into an agreement to sell the land situated at Manesar District Gurugram, Haryana with Sazz Advisory LLP and received part consideration in advance against the same. However, subsequent to the Balance Sheet date, the parties have mutually agreed to cancel the agreement and refund the advance.

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(All figures are in ₹ crore unless otherwise stated)

21 Revenue from contracts with customers

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of goods	1,241.21	881.26
Sale of services	1.87	2.15
Total (A)	**1,243.08**	**883.41**
Other operating revenue:		
Scrap sales	4.05	4.02
Export incentives	0.50	0.26
Total (B)	**4.55**	**4.28**
Total revenue from contracts with customers (A) + (B)	**1,247.63**	**887.69**

Notes:

(i) Timing of revenue recognition

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Goods transferred at a point in time	1,247.63	887.69
Total	**1,247.63**	**887.69**

(ii) Revenue by location of customers

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	1,222.85	868.51
Oustide India	24.78	19.18
Total	**1,247.63**	**887.69**

(ii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contracted price	1,249.06	888.93
Cash discount	(1.43)	(1.24)
Total revenue from contracts with customers	**1,247.63**	**887.69**

22 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on fixed deposits and others	0.68	0.26
Government grants (refer note 17 and 31)	0.68	1.31
Liabilities/ provision written back	0.13	0.15
Provisions for doubtful trade receivables written back	0.06	0.04
Net gain on foreign currency transaction and translation	-	0.04
Net gain on sale of property, plant and equipment	0.57	3.19
Total	**2.12**	**4.99**

23 Cost of raw material and components consumed

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	94.29	57.69
Add : Purchases of raw materials and components	889.11	634.17
	983.40	691.86
Less : Inventory at the end of the year	118.35	94.29
Total	**865.05**	**597.57**

24 Purchase of traded goods

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of traded goods	2.86	2.37
Total	**2.86**	**2.37**

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(All figures are in ₹ crore unless otherwise stated)

25 Increase in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) Inventories at the beginning of the Year		
- Work in progress	8.99	6.40
- Finished goods (including tools and moulds)	27.11	20.92
Total (A)	**36.10**	**27.32**
(B) Inventories at the end of the Year		
- Work in progress	13.83	8.99
- Finished goods (including tools and moulds)	32.12	27.11
Total (B)	**45.95**	**36.10**
Increase in inventories of finished goods and work-in-progress		
- Work in progress	(4.84)	(2.59)
- Finished goods (including tools and moulds)	(5.01)	(6.19)
Total (A) - (B)	**(9.85)**	**(8.78)**

26 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	130.15	97.67
Contribution to provident and other funds (refer note 33)	7.82	6.75
Employee stock option expenses (refer note 41)	0.66	1.57
Staff welfare expenses	4.33	3.46
Total	**142.96**	**109.45**

27 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on:		
(i) borrowings	0.27	0.13
(ii) lease liabilities (Refer Note 5)	2.06	2.22
(iii) delayed payment of taxes and duty	0.14	0.01
Total	**2.47**	**2.36**

28 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 4)	26.07	22.74
Depreciation of right-of-use assets (refer note 5)	1.47	1.45
Amortisation of intangible assets	3.55	2.24
Total	**31.09**	**26.43**

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(All figures are in ₹ crore unless otherwise stated)

29 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Consumption of stores and spares	16.25	13.15
Power and fuel	12.21	9.26
Rent (refer note 5)	1.16	1.09
Repairs and maintenance		
- Buildings	0.83	0.75
- Plant & Machinery	7.01	6.49
- Others	4.50	3.90
Insurance	2.33	1.96
Rates and taxes	0.11	0.32
Travelling and conveyance	9.94	7.10
Packing and forwarding expenses	11.05	6.06
Warranty expenses	1.51	0.27
Royalty	6.04	4.64
Legal and professional	2.55	2.24
Management fees	36.85	28.70
Payment to auditors *	0.40	0.47
Property, plant and equipment written off	0.08	0.05
Bad trade receivables written off	0.18	0.39
Provision for doubtful trade receivables	0.11	0.06
Corporate social responsibility expenses (refer note below)	1.02	1.03
Net loss on foreign currency transaction and translation	0.39	-
Miscellaneous expenses	4.91	3.63
Total	**119.43**	**91.56**

* Payment made to auditors is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor		
- Audit fee	0.18	0.32
- Limited review	0.18	0.13
In other capacity:		
- For other services	-	0.01
-Reimbursement of expenses	0.04	0.01
Total	**0.40**	**0.47**

Note: Corporate Social Responsibility

As per provisions of Section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR). Accordingly, a CSR committee has been formed by the Company. Details of amount required to be spent and actual amount spent is below:

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
A) Gross Amount required to be spent by the Company during the year		1.02	1.03
	In Cash	**Yet to be paid in cash**	**Total**
B) Amount spent during the year ended on 31 March 2023			
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	1.02	-	1.02
C) Amount spent during the year ended on 31 March 2022			
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	1.03	-	1.03

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30 Contingent liabilities and commitments

(a) Contingent liabilities

i. During financial year 2018-2019, Directorate General of Goods and Services Tax Intelligence issued a Show Cause Notice ("SCN") on the Company alleging that the cost of drawing/design/specification received free of cost from one of the customers for manufacture of moulds/dies/parts/components was supposed to be included in the cost of moulds/dies/parts/components (as the transaction value) in supply made to the customer. During the year, the Company has received demand order from Directorate General of GST Intelligence dated 30 December 2022, demanding Central Excise Duty amounting to ₹ 0.31 crores (31 March 2022: ₹ NIL) in respect of the aforesaid matter. Subsequent to the Balance Sheet date, the Company has filed an appeal against the said demand with CESTAT, New Delhi and is pending adjudication till date.

(b) Capital commitments (net of advance)
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 65.69 crores (31 March 2022: ₹ 6.24 crores).

(c) Manesar plant of the Company is situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, Haryana admeasuring of 6.25 acres of land which is notified under the residential zone by the authorities in the earlier period. The Company is yet to receive any notice from Town and Country Planning, to vacate this land and also has received factory license till 31st December 2026. Till earlier year, the Company was planning to shift the plant from Manesar location to Farrukh nagar location in Haryana. However, subsequent to the Balance Sheet date, the Company has decided to continue in the Manesar plant and useful lives of the property, plant and equipment are assessed accordingly.

(d) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Review petition against this decision is peding before the SC for disposal.Further there are interpretative challenges and considerable uncertainty, including estimation in the amount retrospectively. Pending the outcome of the review petition and directions from the Employee Provident Fund Organisation, the impact for past periods, if any, is not ascertainable reliably and consequently no financial impact has been considered in the financial statements.

31 The Company has recognised revenue subsidy of ₹ 0.43 crores (Previous Year ₹ 0.88 crores) under Gujarat State Electronics Policy. The said subsidy is booked under Statement of Profit and Loss.

32A Earning per share

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

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

c) The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at 31 March 2023	As at 31 March 2022
Profit for the year attributable to the equity shareholders (₹ in crores)	71.71	54.04
Weighted average number of equity shares outstanding	1,00,00,000	1,00,00,000
Basic and diluted earnings per share (face value ₹ 10 per share) (in ₹)	71.71	54.04

d) There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

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(All figures are in ₹ crore unless otherwise stated)

32B Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings*	23.02	11.07
Less: cash and cash equivalents (restricted to total debt)	(15.47)	(11.07)
Net debt (A)	7.55	-
Equity share capital	10.00	10.00
Other equity	310.78	255.41
Total equity (B)	**320.78**	**265.41**
Capital and net debt (A+B) = (C)	**328.33**	**265.41**
Gearing ratio (A)/(C)	**2.30%**	**0.00%**

* Borrowings does not include lease liabilities.

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33 Gratuity and other post-employment benefit plans

a) Defined Contribution plans

The Company makes provident fund and Employee State Insurance (ESI) contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 7.82 crores (March 31, 2022: Rs. 6.75 crores) for provident fund and ESI contributions in the Statement of Profit and Loss (Refer Note 26). The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

b) Defined benefit plan

The employees' Gratuity Fund Scheme, is a defined benefit plan, which maintains its investments with Life Insurance Corporation of India (LIC). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service usually gets a gratuity on departure @ 15 days of last drawn basic salary for each completed year of service or part thereof in excess of six months.

(i) Changes in the present value of defined benefit obligations:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2021 (A)	**11.71**	**5.11**	**6.60**
Current Service cost	1.42	-	1.42
Interest expense/(income)	0.80	0.35	0.45
Total amount recognized in profit or loss (B)	**2.22**	**0.35**	**1.87**
Remeasurements			
(Gain) arising from change in financial assumptions	(0.37)	-	(0.37)
Loss arising from Experience adjustment	0.79	-	0.79
Return on plan assets	-	0.05	(0.05)
Total amount recognized in Other Comprehensive Income (C)	**0.42**	**0.05**	**0.37**
Benefit Payments	(2.18)	-	(2.18)
Total Cash flow (D)	**(2.18)**	-	**(2.18)**
31 March 2022 (A)+(B)+(C)+(D)	**12.17**	**5.51**	**6.66**
1 April 2022 (A)	**12.17**	**5.51**	**6.66**
Current Service cost	1.62	-	1.62
Interest expense/(income)	0.88	0.40	0.48
Acquisition adjustment	0.37	-	0.37
Total amount recognized in Statement of profit and loss (B)	**2.87**	**0.40**	**2.47**
Remeasurements			
Loss from change in demographic assumptions			
(Gain) arising from change in financial assumptions	(0.15)	-	(0.15)
Loss arising from Experience adjustment	0.35	-	0.35
Return on plan assets	-	0.03	(0.03)
Total amount recognized in Other Comprehensive Income (C)	**0.20**	**0.03**	**0.17**
Benefit Payments	(1.18)	-	(1.18)
Total Cash flow (D)	**(1.18)**	-	**(1.18)**
31 March 2023 (A)+(B)+(C)+(D)	**14.06**	**5.94**	**8.12**

(ii) The net defined benefit liability is disclosed below:

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of funded obligation	14.06	12.17
Fair value of plan assets	(5.94)	(5.51)
Defined benefit liability	**8.12**	**6.66**
Non-current	6.50	6.66
Current	1.62	-
Total	8.12	6.66

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(All figures are in ₹ crore unless otherwise stated)

(iii) Significant estimates: actuarial assumptions and sensitivity

The significant assumptions were as follows

Particulars	As at 31 March 2023	As at 31 March 2022
Acturial assumptions		
Discount rate	7.36%	7.20%
Future salary growth rate	8.00%	8.00%
Attrition rate		
upto 30 years	20.00%	20.00%
from 31- 44 years	10.00%	10.00%
above 44 years	8.00%	8.00%
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Retirement age (years)	58/60	58/60/62

(iv) Sensitivity analysis

A quantative sensitivity analysis for significant assumptions as at March 31,2023 is as shown below:

Particulars	As at 31 March 2023	As at 31 March 2022
1.00% increase in discount rate	(0.91)	(0.84)
1.00% decrease in discount rate	0.97	0.96
1.00% increase in salary escalation rate	0.96	0.85
1.00% decrease in salary escalation rate	(0.91)	(0.78)
0.50% increase in attrition rate	0.20	0.19
0.50% decrease in attrition rate	(0.28)	(0.30)

(v) Expected benefit payments

Undiscounted amount of expected benefit payments in future years are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 year	1.62	1.74
1-5 years	4.12	4.98
More than 5 years	18.60	17.05

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(All figures are in ₹ crore unless otherwise stated)

34A Fair Values

(i) Financial instruments by category

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

A. Financial assets:

Particulars	Carrying value		Fair value	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
At amortised cost				
Trade receivables	171.43	133.66	171.43	133.66
Cash and cash equivalents	15.47	40.25	15.47	40.25
Other financial assets	3.24	2.94	3.24	2.94
	190.14	**176.85**	**190.14**	**176.85**

B. Financial liabilities

Particulars	Carrying value		Fair value	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
At amortised cost				
Deferred payment liabilities	0.87	-	0.87	-
Borrowings	23.02	11.07	23.02	11.07
Trade payables	191.62	156.17	191.62	156.17
Employee related payables	5.12	4.70	5.12	4.70
Payable against capital goods	3.07	1.91	3.07	1.91
	223.70	**173.85**	**223.70**	**173.85**

Note

1. Fair value of trade receivables, cash and cash equivalents, other financial assets, trade payables, other current financial liabilities and current borrowings approximate their carrying amount, largely due to the short-term nature of these instruments.

2. Security deposits under non-current other financial assets and deferred payment liabilities are discounted at present value. Accordingly, the carrying value of the same approximates fair value.

(ii) Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

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(All figures are in ₹ crore unless otherwise stated)

Quantitative disclosures of fair value measurement hierarchy as on March 31, 2023:

Particulars	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	171.43	-	-	171.43
Cash and cash equivalents	15.47	-	-	15.47
Other financial assets	3.24	-	-	3.24
Total	190.14	-	-	**190.14**
Financial liabilities				
Lease liabilities	23.19	-	-	23.19
Deferred payment liabilities	0.87	-	-	0.87
Borrowings	23.02	-	-	23.02
Trade payables	191.62	-	-	191.62
Employee related payables	5.12	-	-	5.12
Payable against capital goods	3.07	-	-	3.07
	246.89	-	-	**246.89**

Quantitative disclosures of fair value measurement hierarchy as on March 31, 2022:

Particulars	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	133.66	-	-	133.66
Cash and cash equivalents	40.25	-	-	40.25
Other financial assets	2.94	-	-	2.94
Total	**176.85**	-	-	**176.85**
Financial liabilities				
Lease liabilities	25.20	-	-	25.20
Borrowings	11.07	-	-	11.07
Trade payables	156.17	-	-	156.17
Employee related payables	4.70			
Payable against capital goods	1.91	-	-	1.91
	199.05	-	-	**194.35**

Note: There have been no transfers between Level 1, Level 2 and Level 3 during the year.

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34B Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables, lease liabilities, borrowings and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance department provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) Credit risk

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

Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored. At March 31, 2023, the Company had two customers (March 31, 2022: two customers) that owed the Company more than ₹37.80 crores and accounted for approximately 25% (March 31, 2022: 35%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivables) disclosed in Note 9.

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(All figures are in ₹ crore unless otherwise stated)

(ii) 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:

As at 31 March 2023	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Total financial liabilities						
Borrowings	-	23.02	-	-	-	23.02
Payable against capital goods	-	3.07	-	-	-	3.07
Employee related payables	-	5.12	-	-	-	5.12
Deferred payment liabilities	-	0.20	-	0.60	0.40	1.20
Trade payables	-	191.62	-	-	-	191.62
	-	**223.03**	-	**0.60**	**0.40**	**224.03**

As at 31 March 2022	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Total financial liabilities						
Borrowings	-	11.07	-	-	-	11.07
Payable against capital goods	-	1.91	-	-	-	1.91
Employee related payables	-	4.70	-	-	-	4.70
Trade payables	-	156.17	-	-	-	156.17
	-	**173.85**	-	-	-	**173.85**

Note - The maturity analysis of lease liabilities is disclosed in note 5

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(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.
The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

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. The Company may use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

Details of unhedged foreign currency exposures:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign Currency (in crores)	Indian Rupees	Foreign Currency (in crores)	Indian Rupees
Trade payables				
USD	0.12	10.06	0.09	7.06
JPY	13.42	8.29	5.91	3.69
Euro	0.00	0.02	0.00	0.02
THB	0.00	0.01	0.00	0.00
Trade receivables				
USD	0.01	1.11	0.04	2.97
JPY	-	-	1.11	0.69

Sensitivity Analysis

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

Particulars	Change in currency rate	Year end rates	Changes in rates	Net exposure in foreign currency (in crores)	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2023	INR/USD Increases by 5%	82.2169	4.11	(0.11)	(0.45)	(0.33)
	INR/USD decreases by 5%	82.2169	(4.11)	(0.11)	0.45	0.33
	INR/JPY Increases by 5%	0.6180	0.03	(13.42)	(0.41)	(0.31)
	INR/JPY decreases by 5%	0.6180	(0.03)	(13.42)	0.41	0.31
	INR/THB Increases by 5%	2.3994	0.12	(0.00)	(0.00)	(0.00)
	INR/THB decreases by 5%	2.3994	(0.12)	(0.00)	0.00	0.00
	INR/Euro Increases by 5%	89.6076	4.48	0.00	0.00	0.00
	INR/Euro decreases by 5%	89.6076	(4.48)	0.00	(0.00)	(0.00)
As at 31 March 2022	INR/USD Increases by 5%	76.1781	3.81	(0.04)	(0.14)	(0.11)
	INR/USD decreases by 5%	76.1781	(3.81)	(0.04)	0.14	0.11
	INR/JPY Increases by 5%	0.6254	0.03	(3.20)	(0.10)	(0.07)
	INR/JPY decreases by 5%	0.6254	(0.03)	(3.20)	0.10	0.07
	INR/THB Increases by 5%	2.2817	0.11	(0.00)	(0.00)	(0.00)
	INR/THB decreases by 5%	2.2817	(0.11)	(0.00)	0.00	0.00
	INR/Euro Increases by 5%	84.0067	4.20	(0.00)	(0.00)	(0.00)
	INR/Euro decreases by 5%	84.0067	(4.20)	(0.00)	0.00	0.00

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's borrowings are at fixed rates which are carried at amortised cost. They are therefore not subject to interest rate risk.

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35 Segment Information

The Company is engaged in the business of manufacturing of automotive electronic switches. The entire operations are governed by the same set of risk and returns and, hence, the same has been considered as representing a single primary segment.

Since the Company's business activity falls within a single business segment, there are no additional disclosure to be provided under Ind AS 108, "Operating Segments" other than those already provided in the financial statements.

Geographical segments-

The analysis of geographical segment is based on geographical location of the Company:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue		
Within India	1,222.85	868.51
Outside India	24.78	19.18
Total	**1,247.63**	**887.69**

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current operating assets*		
India	225.66	172.70
Outside India	-	-
Total	**225.66**	**172.70**

* excluding loan to employees, income tax assets (net) and deferred tax assets (net).

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
India	170.32	129.99
Outside India	1.11	3.67
Total	**171.43**	**133.66**

36 Research and development expenses *	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	4.67	4.39
Contributions to provident fund and other funds	0.33	0.30
Staff welfare	0.05	0.08
Travelling and conveyance	0.18	0.05
Miscellaneous expenses	2.43	0.98
	7.66	**5.80**

* Excludes capital expenditure of ₹ 0.30 crores (Previous year ₹ Nil) .

37A The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-tax Act, 1961. Since, the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation to determine whether the transactions entered into with the associated enterprises during the financial year on an arm's length basis. The management is of the opinion that such transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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(All figures are in ₹ crores, except share data and unless otherwise stated)

38 Related party transactions

Description of relationship	Names of related parties
(a) Related parties and nature of related party relationships where control exists:-	
Holding Company	UNO Minda Limited (Formerly Known as Minda Industries Limited)
Enterprise having significant influence over the Company	Tokai Rika Co Ltd, Japan
(b) Related party and nature of related party with which transactions have taken place during the year:-	
Fellow subsidiaries	UNO Minda EV Systems Private Limited (w e f 16 December 2021) Minda Katolac Electronics Services Pvt Ltd MITIL Polymer Private Limited PT Minda Trading
Enterprises in which directors/members of the Company can exercise significant influence	Shankar Moulding Ltd Minda Investment Ltd Minda Projects Ltd Tokai Rika (Thailand) Co Ltd Tokai Rika Minda India Pvt Ltd Tokai Rika Create Corporation (Torica) Tokai Rika Co Ltd, Philippines Toyoda Gosei Minda India Pvt Ltd Tokairika Indonesia Minda I Connect Pvt Ltd Minda Industries (firm) Shreeaumji Real Estate SEZ Pvt Ltd Spectrum Techno Construction Pvt Ltd Shreeaumji Habitation Pvt Ltd Minda Infastructure LLP Toyoda Gosei South India Private Limited Suman Nirmal Minda Charitable Trust Furukawa Minda Electric Private Limited (w e f 1 January 2023) SAZZ Advisory LLP
Key Management Personnel (KMP)	Mr Nirmal Kumar Minda (Chairman & Managing Director) Ms Deepali Chandhoke (Independent Director) (upto 6 February 2023) Mr Hidehito Araki (Independent Director) Mr Hiroyasu Goto (Deputy Managing Director) Mr Anil Singh Makhloga (Whole-time Director) (w e f 26 April 2021)

(c) Details of related party transactions during the year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Revenue		
Holding Company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)		
Sale of goods	18 28	10 77
Sale of services	1 02	1 08
Enterprise having significant influence over the Company		
Sale of goods		
- Tokai Rika Co Ltd, Japan	5 31	0 52
Fellow subsidiaries		
Sale of goods		
-Minda Katolac Electronics Services Pvt Ltd	4 09	2 00
-PT Minda Trading	7 36	7 30
Sale of services		
-Minda Katolac Electronics Services Pvt Ltd (absolute ₹ 15,245 for 31 March 2022)	0 01	-

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Enterprises in which directors/members of the Company can exercise significant influence		
Sale of goods		
- Tokai Rika Minda India Pvt Ltd	97 64	54 55
- Tokai Rika Create Corporation (Torica)	6 47	7 01
- Tokai Rika (Thailand) Co Ltd	0 25	-
- Shankar Moulding Ltd	0 36	0 22
- Toyoda Gosei Minda India Pvt Ltd	62 77	40 84
- Toyoda Gosei South India Private Limited	7 76	0 07
- Furukawa Minda Electric Private Limited	0 16	-
Sale of services		
- Shankar Moulding Ltd	0 04	0 04
(ii) Reimbursement of expenses (received)		
Holding company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)		
Employee benefit expenses	0 33	-
Miscellaneous expenses	0 25	0 57

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Mindarika Private Limited
Notes forming part of the financial statements for the year ended 31 March 2023
(All figures are in ₹ crores, except share data and unless otherwise stated)

Fellow subsidiaries		
Employee benefit expenses		
- UNO Minda EV Systems Private Limited	0.31	-
Fellow Subsidiaries		
Reimbursement of Expenses		
-Minda Katolac Electronics Services Pvt Ltd	0.20	0.11
Enterprises in which directors/members of the Company can exercise significant influence		
Reimbursement of Employee Benefit Expenses		
- Tokai Rika Minda India Pvt Ltd	0.59	0.50
Key Management Personnel		
Rent Recovery		
- Hiroyasu Goto	0.02	0.02
(iii) Sale of property, plant and equipment		
Enterprise having significant influence over the Company		
- Tokai Rika Co Ltd, Japan	0.55	-
(iv) Purchase of property, plant and equipment		
Holding company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited) (absolute ₹ 2,700 for 31 March 2022)	2.66	-
Enterprise having significant influence over the Company		
- Tokai Rika Co Ltd, Japan	3.77	0.09
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Infastructure LLP	32.86	-
- Shankar Moulding Ltd	0.14	-
- Shreeaumji Real Estate SEZ Pvt Ltd	8.62	-
- Spectrum Techno Construction Pvt Ltd	0.39	-
- Shreeaumji Habitation Pvt Ltd	3.84	-
(iv) Expenses		
Holding company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)		
Purchase of raw materials and components	3.04	2.46
Legal and professional	0.79	1.47
Management fees	36.85	28.70
Testing expenses	0.03	-
SAP Licence fee	1.95	1.79
AMC Expenses	0.04	-
Reimbursement of Employee Benefit Expenses	0.01	0.13
Employee stock option expenses allocated	0.66	1.57
Employee Benefit Expenses	0.05	2.85
Rent	0.91	0.91

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Enterprise having significant influence over the Company		
Tokai Rika Co. Ltd, Japan		
-Purchase of raw materials and components	0.15	0.74
-Legal and professional	0.02	0.10
-Royalty	6.00	4.57
-Repair & Maintainenance expenses	0.01	-
-Staff-Ex Gratia	1.68	2.22
-Research & Development expenses	0.01	-
Fellow Subsidiary		
Purchase of raw materials and components		
-Minda Katolac Electronics Services Pvt Ltd	46.45	22.61
-MITIL Polymer Private Limited	37.71	23.27
Reimbursement of Expenses		
-PT Minda Trading	0.03	-
-Minda Katolac Electronics Services Pvt Ltd	0.01	-
Enterprises in which directors/members of the Company can exercise significant influence		
Purchase of raw materials and components		
- Tokai Rika Co Ltd, Philippines	2.39	1.24
- Tokai Rika (Thailand) Co Ltd	13.77	8.31
-Tokai Rika Minda India Pvt Ltd	135.02	88.78
- Tokai Rika Create Corporation (Torica)	10.36	13.30
- Shankar Moulding Ltd	25.42	17.50
- Tokairika Indonesia	0.36	0.34
- Furukawa Minda Electric Private Limited	3.98	-
Rent		
- Minda Investment Ltd	3.34	3.17
- Minda Industries (Firm)	0.01	0.01
Other expenses		
-Suman Nirmal Minda Charitable Trust (CSR expenditure)	1.02	1.03
-Minda Projects Ltd	-	0.02
- Shankar Moulding Ltd (Job Work Charges)	0.16	0.14
-Tokai Rika Minda India Pvt Ltd (Packing & Forwarding charges)	0.33	0.05
- Minda I Connect Pvt Ltd	-	0.01
- Minda Infastructure LLP	-	0.01
Key Management Personnel		
Managerial Remuneration		

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(All figures are in ₹ crores, except share data and unless otherwise stated)

- Mr Nirmal Kumar Minda	1.44	0.90
- Mr Anil Singh Makhloga	2.88	2.53
- Mr Hiroyasu Goto	1.31	0.55
Director's sitting fee		
Ms Deepali Chandhoke	0.02	0.01
Mr Hidehito Araki	0.02	0.01
(v) Payment of dividend		
Holding company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)	8.27	5.26
Enterprise having significant influence over the Company		
- Tokai Rika Co Ltd, Japan	6.00	3.82
Key Management Personnel		
- Mr Nirmal Kumar Minda	1.95	1.24

(d) Balance outstanding at the end of the year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Trade receivables		
Holding Company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)	3.33	1.44
Enterprise having significant influence over the Company		
- Tokai Rika Co. Ltd, Japan	0.10	-
Fellow subsidiaries		
- Minda Katolac Electronics Services Pvt Ltd	0.26	0.16
- PT Minda Trading	0.47	0.75
Enterprises in which directors/members of the Company can exercise significant influence		
- Shankar Moulding Ltd	0.08	0.11
- Tokai Rika Minda India Pvt Ltd	11.66	9.14
- Tokai Rika Create Corporation (Torica)	-	0.23
- Toyoda Gosei Minda India Pvt Ltd	6.41	6.85
- Toyoda Gosei South India Private Limited	1.45	0.04
- Furukawa Minda Electric Private Limited	0.18	-
(ii) Security deposits		
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Investment Ltd	0.32	0.30
(iii) Advance from customer		
Holding Company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)	-	0.41
Enterprises in which directors/members of the Company can exercise significant influence		
- Tokai Rika Minda India Pvt Ltd	-	11.40
(iv) Advance against sale of property, plant and equipment		
Enterprises in which directors/members of the Company can exercise significant influence		
- SAZZ Advisory LLP	8.70	-
(v) Capital Advances		
Enterprises in which directors/members of the Company can exercise significant influence		
- Shankar Moulding Ltd	-	0.05
(vi) Advance to suppliers		
Enterprises in which directors/members of the Company can exercise significant influence		
- Shankar Moulding Ltd	0.15	0.19
(vii) Trade payables		
Holding Company		
- UNO Minda Limited (Formerly Known as Minda Industries Limited)	11.99	8.72
Enterprise having significant influence over the Company		
- Tokai Rika Co Ltd, Japan	3.81	1.47
Fellow subsidiaries		
- Minda Katolac Electronics Services Pvt Ltd	6.57	2.17
- MITIL Polymer Private Limited	6.92	5.53
Enterprises in which directors/members of the Company can exercise significant influence		
- Shankar Moulding Ltd	5.76	5.09
- Tokai Rika Co Ltd, Philippines	0.90	0.17
- Tokai Rika (Thailand) Co Ltd	2.47	0.95
- Tokai Rika Create Corporation (Torica)	1.93	2.78
- Tokai Rika Minda India Pvt Ltd	18.50	10.69
- Tokairika Indonesia	0.05	0.03
- Furukawa Minda Electric Private Limited	1.31	-

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(All figures are in ₹ crore unless otherwise stated)

39 Ratio Analysis and its elements

Ratio	Numerator	Denominator	For the year ended 31 March 2023	For the year ended 31 March 2022	% change	Reason for variance
Current Ratio	Current Assets	Current liabilities	1.47	1.62	-9.06%	Not applicable
Debt-Equity Ratio	Total Debt*	Shareholder's Equity	0.14	0.14	5.41%	Not applicable
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	23.50	20.40	15.18%	Not applicable
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	24.47%	22.17%	10.34%	Not applicable
Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.49	5.20	5.54%	Not applicable
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	8.18	7.51	8.97%	Not applicable
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payable	5.11	4.77	7.09%	Not applicable
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	10.42	7.19	44.86%	Majorly due to increase in sales
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	5.75%	6.09%	-5.58%	Not applicable
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt*	27.35%	25.16%	8.71%	Not applicable
Return on Investment	Interest (Finance Income)	Investment	Not Applicable	Not Applicable	0.00%	Not applicable

*Total debt includes lease liabilities

40 Other Statutory Information

(i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charge or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has not entered into 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).

S.R. BATLIBOI & CO. LLP
GURUGRAM

41 **Share-based compensation**

The Company had participated in the UNO Minda Employee Stock Option Scheme- 2019 and during the year ended March 31, 2020, the Nomination and Remuneration Committee of UNO Minda Limited (formerly known as Minda Industries Limited) ("the Parent Company") had approved the grant of 1,01,020 shares of face value of Rs. 2 in terms of the Employee Slock Option Scheme 2019. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors of the Parent 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.

Some of the employees of the Company are part of said ESOP scheme and accordingly, the Company has recorded expense against employee stock option (ESOP) based on expense allocated from the Parent Company amounting to Rs. 0.66 crore (March 31, 2022: Rs. 1.57 crore).

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.

43 The Company has suo-moto examined the decision made by Hon'ble Supreme Court of India judgement in the case of Northern Operating Systems Private Limited ("NOS") (2022-TIOL-48-SC-ST-LB) for the applicability of GST on 'secondment of employees by overseas group entity to Indian entity' and compared it with the fact pattern of the Company. The Company has also obtained opinion from an independent consultant in this regard and based on the same, management has concluded that that the fact pattern in case of the Company is different from the above case, and thus there is no GST implication on the Company.

In view of the above, the management believes that no adjustment is required to be made in the financial statements in this regard.

44 The figures for the year ended March 31,2022 were audited by another firm of Chartered Accountants.

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Mindarika Private Limited
Notes forming part of the financial statements for the year ended 31 March 2023
(All figures are in ₹ crore unless otherwise stated)

45 Previous year's figures have been regrouped / reclassed, wherever necessary, to conform to this year's classification.

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.:301003E/E300005

Amit Kumar Jain
Partner
Membership No. : 097214

Place: Gurugran
Date: 4 May 2023

S.R. BATLIBOI & CO. LLP * GURUGRAM *

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Anil Singh Makhloga
Director
DIN No: 03225184

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070