# MINDA I CONNECT PRIVATE LIMITED

**CIN:** U35900DL2014PTC272202
**Registered Office:** B-64/1, Wazirpur Industrial Area, Delhi - 110052
**E-Mail:** csmipl@unominda.com

**Tel No.:** +91 11 49373931 Fax: +91 124 2290676/95

## NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF MINDA I CONNECT PRIVATE LIMITED

*[Convened pursuant to order dated March 31, 2023 passed by the Hon'ble National Company Law Tribunal, New Delhi Bench (Court-II)]*

**DETAILS OF NCLT CONVENED MEETING OF UNSECURED CREDITORS**

| | |
|---|---|
| Day | Wednesday |
| Date | **3rd May, 2023** |
| Time | **10:15 A.M.** (Indian Standard Time) |
| Venue/ Mode* | Meeting to be held through Video Conferencing |

**REMOTE E-VOTING PERIOD FOR NCLT CONVENED MEETING OF UNSECURED CREDITORS**

| | |
|---|---|
| Start Date | **Wednesday, 12th April, 2023** at 9:00 A.M. (Indian Standard Time) |
| Last Date | **Tuesday, 2nd May, 2023** at **5:00 P.M.** (Indian Standard Time) |

**E-VOTING AT THE TIME OF MEETING**

| | |
|---|---|
| Start Date | **Wednesday, 3rd May, 2023** from 10:15 A.M. to 11:15 A.M. (Indian Standard Time) |

## INDEX

**FORM NO. CAA 2**

[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

**Company Application No. - CP (CAA) No. 30/ND/2022 connected with CA (CAA) No. 66/ND/ 2021**

**IN THE MATTER OF SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF**

**THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF THE SCHEME OF AMALGAMATION AMONGST MINDA I CONNECT PRIVATE LIMITED,** a Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at B-64/1, Wazirpur Industrial Area, Delhi-110052 ("Transferor Company") **AND UNO MINDA LIMITED (FORMERLY KNOWN AS MINDA INDUSTRIES LIMITED),** a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at B-64/1, Wazirpur Industrial Area, Delhi-110052 ("Transferee Company") and their respective shareholders and creditors

**NOTICE CONVENING THE MEETING OF UNSECURED CREDITORS OF MINDA I CONNECT PRIVATE LIMITED PURSUANT TO THE ORDER DATED MARCH 31, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI BENCH (COURT-II) FOR SEEKING CONSIDERATION AND APPROVAL OF MODIFICATION OF SCHEME OF AMALGAMATION**

To,

The Unsecured Creditors of Minda I Connect Private Limited

(the "**Company**" or the "**Transferor Company"**)

**NOTICE** is hereby given that pursuant to the order dated March 31, 2023 (**the "Order"**) in the abovementioned Company Application No. CP (CAA) No. 30/ND/2022 connected with CA (CAA) No. 66/ND/2021, the National Company Law Tribunal, New Delhi (Court-II) (**"NCLT" or "Tribunal"**) directed to convene/ hold the meeting of the Unsecured Creditors of the Transferee Company (**"NCLT Convened Meeting"**), has *inter alia* directed therein, a virtual meeting of the Unsecured Creditors of the Transferor Company (**"NCLT Convened Meeting"**) which will be held on Wednesday May 3, 2023 at 10:15 A.M.IST for the purpose of considering and if thought fit to approve with or without modification the following resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 including all rules, circulars and notifications issued thereunder, as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the National Company Law Tribunal Rules, 2016, applicable provisions, if any, and any provision of any other applicable law / statute and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, New Delhi **('NCLT')** and approval of such other regulatory / statutory / government authority(ies), as may be necessary or as may be directed by the NCLT or such other competent authority(ies), as the case may be, the Scheme of Amalgamation [on which the Unsecured Creditors of the Company have already given their "no objection" (98.28% in value) by way of an Affidavit, Unsecured Creditors] (annexed as Annexure-I to the accompanying Explanatory Statement), be and is hereby modified as under:-

*"The existing clauses 10.1 and 10.1.1 of the said scheme of amalgamation be and is hereby replaced by the following new clauses 10.1 and 10.1.1:-*

10.1 *Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:*

10.1.1 ***20 (Twenty)*** *fully paid equity share of INR 2 (Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;"*

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter called the 'Board', which term shall be deemed to include one or more committee(s) which the Board may have constituted or hereinafter constitute or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Amalgamation and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required or directed by the Hon'ble

National Company Law Tribunal, New Delhi or its appellate authority (ies) while sanctioning the Scheme or by any authorities under law or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board of Directors may deem fit and proper.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorized to modify, amend, withdraw, terminate or abandon the Scheme or any part thereof at any stage, for any reason(s) as may be deemed fit by the Board without the need for any subsequent / further approval by the Unsecured creditors of the Company, including, but not limited to, in case any changes and/ or modifications suggested/ required to be made in the Scheme or any condition imposed, whether by any shareholder, creditor, NCLT and/ or any other relevant statutory authority, are in their view not in the interest of the Company, and/ or if the Scheme cannot be implemented otherwise."

The modified scheme after the said modification is annexed as Annexure IA to the accompanying Explanatory Statement.

Unsecured Creditors entitled to attend and vote, may vote through remote e-voting facility from April 12, 2023 to May 02, 2023 or e-voting at the time of meeting. The facility of e-voting shall be made available both prior to as well as during the Meeting through VC/ OAVM.

The Tribunal has appointed Mr. Sidharth Aggarwal, Advocate, as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Devesh Kumar Vasisht (CP No. 13700), Practicing Company Secretary of M/s. DPV & Associates LLP, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

The Unsecured Creditors of the Company attending the meeting and who have not cast their vote through remote e-voting shall be entitled to exercise their vote at the time of the Meeting. The Unsecured Creditors who have cast their vote by remote e-voting prior to the Meeting may also join the Meeting through VC/ OAVM but shall not be entitled to cast their vote again.

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Pre-modified & Post-modified Scheme and other annexures are enclosed herewith. Other annexures enclosed to the earlier notice dated January 5, 2022 for convening the meeting of Unsecured Creditors of the Company are also enclosed.

The above modification to the Scheme of Amalgamation, if approved by the Unsecured Creditors, will be subject to the subsequent approval by the Hon'ble National Company Law Tribunal, New Delhi Bench.

**Dated :** 9th day of April, 2023
**Place :** New Delhi

**Sidharth Aggarwal**
**Chairperson appointed for the Meeting**

**Registered Office**:
B-64/1, Wazirpur Industrial Area, Delhi - 110052

**NOTES:**

1. An Explanatory Statement pursuant to Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules") ("Explanatory Statement") relating to the Business set out in the Notice to be transacted at the Meeting is annexed hereto.

2. This meeting of unsecured creditors of the Company is being convened through Video Conferencing (VC) or Other Audio Visual Means (OAVM) as per the Hon`ble NCLT Order. The provisions of the MCA General Circular No. 20/2020 dated May 05, 2020, General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 & General Circular No. 20/2021 dated December 08, 2021, 03/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022 and SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 & SEBI master circular SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as applicable and other applicable circulars issued by MCA and SEBI from time to time shall apply mutatis mutandis.

3. As this Meeting is being held through VC / OAVM, the facility for appointment of Proxy by the unsecured creditor is not available for this Meeting and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. A body corporate which is an Unsecured creditor of the Company is entitled to appoint a representative for the purposes of participating and or voting during the Meeting.

4. National Securities Depository Limited ("NSDL") will be providing e-voting facility for voting through remote e-voting and for e-voting during the Meeting. The procedure for participating in the meeting through VC / OAVM is explained hereinafter.

5. The unsecured creditors of the Company are entitled to vote through e-voting facility. The facility of e-voting shall be made available both prior to as well as during the Meeting through VC/OAVM, as described hereinafter. Since the Meeting will be held through VC/ OAVM, physical attendance of unsecured creditor has been dispensed with.

6. The voting rights of unsecured creditors shall be in proportion to amount outstanding, as per the books of accounts of the Transferor Company, towards them by the Company as on the cut-off date i.e. February 28, 2023.

7. As per the Hon`ble NCLT Order, the Notice of the Meeting together with the documents accompanying the same, is being sent to those unsecured creditors whose names appear in the books of accounts of the Transferor Company as unsecured creditors as on February 28, 2023, the cut-off date for dispatch of Notice. This Notice of the Meeting is also displayed / posted on the website of the Transferee Company at www.unominda.com, on the website of NSDL at evoting@nsdl.co.in and shall also communicated to BSE Limited & National Stock Exchange of India Limited. For those unsecured creditors whose e-mail address is available with the Transferor Company, this Notice and their e-voting login details, are being sent by e-mail. Unsecured creditors as per the books of accounts of the Transferor Company as on February 28, 2023, that is the cut-off date, will be entitled to attend and exercise their right to vote at the Meeting. A person who is not an unsecured creditor as on cut-off date shall not be eligible to vote through any mode and treat this notice for information purposes only.

8. A body corporate/firm which is an unsecured creditor of the Company is entitled to appoint an authorized representative to join and vote at the NCLT convened meeting of unsecured creditors of the Transferor Company provided a certified true copy of the resolution of the Board of Directors/authorization letter is emailed to the Scrutinizer devesh@dpvassociates.com with a copy marked to csmil@unominda.com The scanned image of the above mentioned documents should be in the naming format "Minda I Connect Private Limited – NCLT convened meeting."

9. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the unsecured creditors of the Company if the resolution mentioned above in the Notice has been approved at the Meeting by a majority of persons representing three-fourths in value of the unsecured creditors, voting through e-voting facility made available both prior to as well as during the Meeting through VC/ OAVM.

10. The unsecured creditor desiring to exercise their vote through e-voting facility are requested to carefully follow the instructions set out in the notes below under the headings "Voting through E-voting and joining the Meeting".

11. The voting period for remote e-voting (prior to the Meeting) commences on Wednesday, April 12, 2023 at 9:00 A.M. (Indian Standard Time) and ends on Tuesday, May 2, 2023 at 5:00 P.M. (Indian Standard Time). The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available on the date of meeting from 10:15 A.M.. to 11:15 A.M. During this period, the unsecured creditors as on Cut-Off date, may cast their vote (for or against) electronically. Once the vote on the resolution is cast by an unsecured creditor, such unsecured creditor will not be allowed to change it subsequently.

12. As directed by the Tribunal, Mr. Devesh Kumar Vasisht (CP No. 13700), Practicing Company Secretary of M/s. DPV & Associates LLP, has been appointed as scrutinizer for the said NCLT convened meeting of the unsecured creditors for

conducting the remote e-Voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer will after the conclusion of Meeting submit its report to the NCLT appointed Chairperson of the Meeting. The scrutinizer will submit his report to the Chairperson after completion of the scrutiny of the votes cast by the unsecured creditor through e-voting (both prior to and during the Meeting). The scrutinizer's decision on the validity of the votes shall be final. The results of votes cast through (i) remote e-voting and (ii) e-voting at the time of the Meeting shall be announced by the Chairperson not later than two working days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Transferee Company at www.unominda.com and on the website of NSDL www.evoting.nsdl.com, being the agency appointed by the Company to provide the voting facility to the unsecured creditors, besides being notified to NSE and BSE, the stock exchanges, where shares of the Transferee Company are listed.

**13.** As per Order of Hon'ble NCLT, the Chairperson shall report the result of the Meeting to the Hon'ble Tribunal within 7 (Seven) working days of the conclusion of the meeting with regard to proposed modification to the Scheme and accordingly the Modified Scheme.

**14.** As per the order of the Hon`ble NCLT, the quorum of the Meeting of the Unsecured Creditors of the Transferor Company shall be 100% of all Unsecured Creditors. In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by 30 minutes, and then present unsecured creditors would satisfy the requirement of quorum.

**15.** The Notice convening the aforesaid NCLT convened meeting will be published through advertisement in (i) Business Standard (in Delhi Edition), in English language and (ii) Business Standard (in Delhi Edition) in Hindi language.

**16.** The unsecured creditors can join the Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

**17.** The attendance of the unsecured creditor attending the Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum of the Meeting.

**18. VOTING THROUGH REMOTE E-VOTING AND JOINING THE MEETING**

The Instructions for unsecured creditors for Voting Through Remote E-Voting and joining the Meeting are as under:-

The remote e-voting period for the unsecured creditors meeting begins on Wednesday, April 12, 2023 at 9:00 A.M (Indian Standard Time) and ends on Tuesday, May 2, 2023 at 5:00 P.M. (Indian Standard Time). The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition to above, the facility for voting through electronic voting system shall also be made available on the date of meeting i.e. May 3, 2023 from 10:15 A.M. to 11:45 A.M. The unsecured creditors, as on the Cut-off date i.e. February 28, 2023, may cast their vote electronically. The voting right of unsecured creditor shall be in proportion to amount outstanding, as per the books of accounts of the Transferor Company, towards them by the Company as on the cut-off date i.e. February 28, 2023.

**<u>How do I vote electronically using NSDL e-Voting system?</u>**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above.
5. For the first time the system will ask to reset your password.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. You will be able to see the EVEN no. of the company.
10. Click on "EVEN" of company to cast your vote.
11. Now you are ready for e-Voting as the Voting page opens.

12. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
13. Upon confirmation, the message "Vote cast successfully" will be displayed.
14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
16. If you face any problems/experience any difficulty or If you forgot your password please feel free to contact at 022 - 4886 7000 and 022 - 2499 7000 or contact on email id evoting@nsdl.co.in.

**THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING ON THE DAY OF THE UNSECURED CREDITOR MEETING ARE AS UNDER:**

1. The procedure for e-Voting on the day of the Unsecured Creditor Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Creditors, who will be present in the Unsecured Creditors meeting through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Unsecured Creditors Meeting

**INSTRUCTIONS FOR UNSECURED CREDITORS FOR ATTENDING THE UNSECURED CREDITORS MEETING THROUGH VC/OAVM ARE AS UNDER**

Creditors will be provided with a facility to attend the Unsecured Creditors Meeting through VC/OAVM through the NSDL e-Voting system. Creditors may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

**EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NCLT CONVENED MEETING OF THE UNSECURED CREDITORS OF MINDA I CONNECT PRIVATE LIMITED**

As you may be aware that the Unsecured Creditors of the Transferor Company have already given their No Objection to the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Uno Minda Limited (**"Transferee Company"/ "Company"**) and their respective Shareholders and Creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Act.

After the consent of shareholders, creditors of Transferor Company, the companies filed second motion application before the NCLT for approval of the said Scheme.

During the pendency of the said second motion application, the Transferee Company has made **bonus issue of equity shares to its shareholders in the proportion of 1:1** i.e. 1 New Equity Share for every 1 existing Equity Share held by shareholders of Transferee Company. The said bonus issue was recommended by Board of the Directors of the Transferee Company on May 24, 2022 and approved by equity shareholders of the Transferee Company through postal ballot on June 29, 2022.

With the said bonus issue of shares, the number of shares in the Transferee Company were doubled. This necessitated the equivalent adjustment/modification in the exchange ratio mentioned in the pre-modified scheme. To determine the new exchange ratio, the companies requested the same valuer to determine the modification/adjustment to be made in the exchange ratio determined by them based on pre-bonus share capital of the Transferee Company. The said valuer namely M/s SSPA & Co. issued an addendum dated September 23, 2022 determining the fair equity share exchange ratio post the bonus by stating as under:-

"*Considering the above, the fair equity share exchange ratio (after considering the issue of bonus equity shares by UML) for the proposed amalgamation of MIPL into UML will work out as under:*

***20 (Twenty) equity shares of UML of INR 2 (Two)each fully paid up for every 179 (One Hundred Seventy Nine) equity shares of MIPL of INR 10 each fully paid up."***

Therefore, post the issue of bonus shares this is now the fair exchange ratio for the amalgamation as per the registered valuer.

The aforesaid necessitated the modifications in the pre-modified scheme for which the Hon'ble NCLT has directed the companies to place the said modification for consideration and approval of equity shareholders and creditors of the companies.

Further, in the above facts and circumstances, the said modification in the exchange ratio is nothing but a natural consequence of the issue of bonus to the equity shareholders and the said modification is not in any way prejudicial to the interests of either the equity shareholders or the creditors of the companies.

Subsequently the Transferee Company and Transferor Company jointly filed an application bearing I.A. No. 258 of 2022 before the Hon`ble NCLT for seeking direction of Hon'ble NCLT to give effect of the bonus issue by the Transferee Company and accordingly amend the share exchange ratio in the Scheme as under:

| Clause of the Scheme BEFORE the present proposed modification | Clause of the Scheme AFTER the present proposed modification* |
|---|---|
| *10.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:*<br>*10.1.1. **10 (Ten)** fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;* | *10.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:*<br>*10.1.1. **20 (Twenty)** fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;* |

*The changes are highlighted in bold in above table

The Transferee Company has vide letter dated February 9, 2023 (said letter) informed to the National Stock Exchange and BSE Limited about the proposed change in share swap ratio which is subject to approval of the Hon'ble NCLT. The Transferee Company has not received any communication/observations from the stock exchanges on the said letter.

The Hon'ble NCLT, by Order dated March 31, 2023, ("**Order**") in the Company Application referred to above, with respect to the modification to the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Uno Minda Limited (**"Transferee Company"**) and their respective shareholders and creditors (**"Scheme"**) has *inter alia* directed for convening a virtual meeting of the Unsecured Creditors of Minda I Connect Private Limited (**"NCLT convened meeting"**) and accordingly, this Meeting is being convened on Wednesday, May 3, 2023 through video conferencing or other audio visual means ("**VC/ OAVM**"), for the purpose of considering and if thought fit, approving, with or without modification(s), aforesaid modified Scheme.

This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 ("Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules").

**1.** The definitions contained in the Scheme of Amalgamation will apply to this explanatory statement also.

**2.** A copy of the Scheme i.e. Pre-modified & Post-modified setting out in detail the terms and conditions of the amalgamation, *inter-alia*, providing for the Scheme of Amalgamation of Transferor Company with (Transferee Company and their respective shareholders and creditors, which has been approved unanimously by the Board of Directors of the Transferor Company on February 06, 2020 and September 26, 2022 respectively is attached to this explanatory statement and forms part of this statement as **Annexure I and Annexure IA respectively.**

**3.** As per the order of the Hon'ble NCLT, the quorum of the Meeting of the Unsecured Creditors of the Transferor Company shall be 100% of all Unsecured Creditors. In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by 30 minutes, and then present unsecured creditors would satisfy the requirement of quorum.

**4.** Further in terms of the said Order, Hon`ble NCLT has appointed Mr. Sidharth Aggarwal, Advocate, as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Devesh Kumar Vasisht (CP No. 13700), Practicing Company Secretary of M/s. DPV & Associates LLP as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

**5.** In accordance with the provisions of Sections 230 – 232 of the Act, the modified Scheme shall be acted upon only if a majority in number representing three fourths in value of the unsecured creditors of the Transferor Company, voting through remote e-voting or e-voting at the meeting agree to the Modified Scheme.

**6. Details of Transferor Company and Transferee Company**

**i. Details of Transferor Company:**

a) Transferor Company i.e. Minda I Connect Private Limited is a private company incorporated on September 30, 2014 under the provisions of the Companies Act, 2013;

b) Corporate Identification Number (CIN): U35900DL2014PTC272202

c) Permanent Account Number (PAN): AAJCM4366P

d) Registered Office: B-64/1, Wazirpur Industrial Area, Delhi -110052

e) Email Address: csmipl@unominda.com

f) Main Object of the Company: The main object of Transferor Company is set out in its Memorandum of Association and one of the main objects of the Transferor Company is to carry on the business of development of software, hardware and designing, programming in automotive mobility and Information technology segment, Automation providing products and solutions.

The main business of Transferor Company is development of software, hardware, designing, programming in automotive mobility and information technology segment and automation providing products.

g) Details of change of name of Transferor Company during the last five years: There has been no Change in the name of the Transferor Company during the last 5 (five) years.

h) Details of change of registered office of Transferor Company during the last five years: There has been no change in the address of the registered office of the Transferor Company during the last 5 (five) years.

i) Details of change of objects of Transferor Company during the last five years: There has been no Change in the object clause of the Transferor Company during the last 5 (five) years.

j) Name of the Stock Exchange(s) where securities of the company are listed: The shares of the Transferor Company are not listed on any stock exchange in India.

k) The share capital structure of the Transferor Company as on December 31, 2022 is as follows:

| **Particulars** | **Amount (in Rs.)** |
|---|---|
| **Authorised Share Capital** | |
| 80,00,000 Equity Shares of Rs.10/- each | 8,00,00,000 |
| **Total Authorised Share Capital** | **8,00,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 73,37,841 Equity Shares of Rs.10/- each | 7,33,78,410 |
| **Total Paid-up Share Capital** | **7,33,78,410** |

There is no change in share capital of the Transferor Company after December 31, 2022 till date of this Notice.

l) The details of the Directors of the Transferor Company as on date are as under:

| S. No. | Name of Directors | DIN | Designation | Address |
|---|---|---|---|---|
| 1 | Mr. Nirmal Kumar Minda | 00014942 | Director | J-10/33, PurviMarg DLF Phase -II, Sikander-pur, Ghosi , Gurgaon 122002 |
| 2 | Mr. Sanjay Jain | 03364405 | Director | 550, Sanvi House, Sector-10, Gurgaon 122001 |
| 3 | Mr. Arun Kumar Arora | 09298156 | Director | Shabad CGHS Ltd, Flat No. 234,Plot No 05, Sector13, Dawarka, Delhi- 110078 |

m) The details of the promoters of the Transferor Company as on December 31, 2022 and till date are as under:

| S. No. | Name of the Promoters and Promoter Group | Address |
|---|---|---|
| 1 | Mr. Nirmal K Minda | J-10/33, PurviMarg DLF Phase -II Sikanderpur, Ghosi , Gurgaon 122002 |
| 2 | Minda Investments Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| 3 | Minda Finance Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| 4 | Bar Investments and Finance Pvt. Ltd. | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| 5 | Singhal Fincap Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |

n) The Pre-modified Scheme and Post-modified Scheme has been approved unanimously by the Board of Directors of the Transferor Company on February 6, 2020 and September 26, 2022. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors | Approval by Board of Directors on February 6, 2020 Vote (for/against/abstain from voting) | Approval by Board of Directors on September 26, 2022 Vote (for/against/ abstain from voting) |
|---|---|---|---|
| 1 | Mr. Nirmal Kumar Minda | FOR | FOR |
| 2 | Mr. Sanjay Jain | FOR | FOR |
| 3 | Mr. Kartikeya Joshi* | FOR | NA |
| 4 | Mr. Arun Kumar Arora* | NA | FOR |

* Mr. Joshi resigned from the directorship of the company w.e.f. September 4, 2021 and Mr. Arora was appointed as director w.e.f. September 4, 2021.

o) <u>Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferor Company:</u> Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.

p) Disclosure about the effect of the Scheme on the following persons of Transferor Company:

| | |
|---|---|
| Key managerial personnel(s) | On the approval of the Scheme, Transferor Company will merge into Transferee Company and KMPs of Transferor Company, if any, shall become the employee of the Transferee Company on effectiveness of the Scheme. As on date of this notice there is no KMPs in Transferor Company. |
| Directors | On the approval of the Scheme, Transferor Company will merge into Transferee Company and Directors of Transferor Company will cease to hold their respective positions. |
| Promoters and Non – promoter Members | In consideration for the merger of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company as on record date shall receive equity shares of the Transferee Company as per share exchange ratio mentioned in the modified Scheme. Further, the economic interest of the shareholders of the Company will not change and they will not be prejudicially affected by the Scheme.<br>Post the modified Scheme become effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Company shall become the shareholders in the Transferee Company.<br>Further, post the modified Scheme become effective and subject to the receipt of the requisite regulatory approvals, the equity shares issued by the Transferee Company as consideration for the proposed Scheme shall be listed on BSE Limited and the National Stock Exchange of India Limited.<br>There will be no adverse effect of the Scheme on the equity shareholders, promoters and non- promoter shareholders of the Transferor Company. |
| Depositors | No effect. There are no depositors |
| Creditors | No effect on the creditors. On the approval of the Scheme and with effect from the Appointed Date and subject to the provisions of Scheme of Amalgamation, all creditors will be vested in and assumed by Transferee Company on the same terms and conditions, as before. |
| Deposit trustee | No effect. There is no deposit trustee |
| Debenture holders | No effect. There are no debenture holders |
| Debenture trustee | No effect. There is no debenture trustee |
| Employees | No effect on the employees. On approval of the Scheme of Merger, and with effect from the Appointed Date all employees of the Transferor Company shall be deemed to have become the employees of Transferee Company pursuant to Clause No. 7 of the Scheme of Amalgamation |

ii. **<u>Details of Transferee Company</u>:**

a) Transferee Company i.e. Uno Minda Limited is a public listed company incorporated on September 16, 1992 under the provisions of the Companies Act, 1956.

b) Corporate Identification Number (CIN): L74899DL1992PLC050333

c) Permanent Account Number (PAN): AAACM1152C

d) Registered Office: B-64/1, Wazirpur, Industrial Area, Delhi -110052

e) Email Address: tksrivastava@unominda.com

f) Main Object of the Company: The main object of Transferee Company is set out in its Memorandum of Association and one of the main object of the Transferee Company is to carry on in India or abroad whether by itself or in collaboration whether Indian or Foreign the business of manufacturers, fabricators, assemblers and sub-assemblers processors, agents, importers, exporters, holders, stockists, distributors, buyers and sellers, dealer and suppliers of automobile parts and agricultural implements automotive and other gear transmissions axels, universal joints, springs, spring leaves, lighting kits tools attachments, jigs, fixtures, dies for engineering plastic goods manufacturing, autolights, electrical apparatus meter dynamos head lamps, sealed beams, components, parts accessories and fittings for the said articles and things used in connection with the manufacturer thereof, alloy springs, steel billets, flats and bars, pressed and other related items for motor cars, motors cycles, scooters, tractors, vans, jeeps lorries, mopeds, cycle, motor launches, aeroplanes and other vehicles and conveyance of all kinds and miners, shippers, suppliers of the thermplast and fibre glass, PVC and plastic products of all kinds, roofing and building materials of all kinds agricultural, sea and food products, fertilizers, iron and steel and its all types of products, metals minerals and its products, engineering goods electricals and electronic gadgets, games and toys of all description along with components devices, sole assemblies, accessories and materials used in their manufacture, components dyes, chemicals, pharmaceuticals, pigments, papers, cement, plastic, leather goods, handicrafts, processed foods, vegetables, fruits, dry-fruits, oil and cakes baby foods, milk and products thereof, dairies and its products, transport and handling agents, order suppliers, departmental stores, tobacco and tobacco products, cigarettes, jute and its products, hessian, textile including cotton, woolen, art silk, natural silk, readymade garments, hosiery, synthetics fibre and fabric and mixed fabrics, surgical, electronics and surgical, diamonds, precious stones, jewellery, artificial or otherwise pearls, pharmaceuticals electronics and surveying equipment and instruments, computer industry, television satellite, communication systems, radar equipment Computers, dry and inert cells, electrical goods and equipment, lamps tubes electronics industry, aeronautical industry, cable and plastic industry, furniture, musical items ceramics and refrectories, glass, soaps, cosmetics, publishers, stationers and all types of commodities, computer spare parts, raw materials merchandise and goods and to act as sellers, purchasers and dealers of licences, release orders, permits, quotas and to enter into all sorts of agreements relating to the above and all other types of commodities and merchandise.

The main business of the Transferee Company is manufacturing of automotive components and it is a leading auto component company.

g) Details of change of registered office of Transferee Company during the last five years: There has been no change in the address of the registered office of the Transferee Company during the last 5 (five) years.

h) Details of change of objects of Transferee Company during the last five years: There has been no Change in the main object clause of the Transferee Company during the last 5 (five) years. At the time of name change of the Transferee Company, the object clause of the Company has been aligned as per new Companies Act, 2013.

i) Details of change of name of Transferee Company during the last five years: Name of the Transferee Company has been changed from Minda Industries Limited to Uno Minda Limited vide fresh certificate of incorporation pursuant to the name change dated July 14, 2022.

j) Name of the Stock Exchange(s) where securities of the company are listed: The shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

k) The share capital structure of the Transferee Company as on March 31, 2023 is as follows:

| **A. Authorised Share Capital** | **Amount in Rs.** |
|---|---|
| 73,62,13,000 equity shares of Rs. 2 each | 1,47,24,26,000 |
| 2,75,00,000 [8% non-cumulative redeemable preference shares of INR 10 each] | 27,50,00,000 |
| 3,36,94,945 [0.01% non-convertible redeemable preference shares of INR 100 each] | 3,36,94,94,500 |
| **Total** | **511,69,20,500** |

| **B. Issued, Subscribed and Paid-up Share Capital** | **Amount in Rs.** |
|---|---|
| 57,30,13,714 Equity Shares of Rs. 2/- each | 1,14,60,27,428 |
| **Total** | **1,14,60,27,428** |

l) The details of the Directors of the Transferee Company as on April 1, 2023 are as under:

| S. No. | Name of Directors | DIN | Designation | Address |
|---|---|---|---|---|
| 1 | Mr. Nirmal Kumar Minda | 00014942 | Chairman and Managing Director | J-10/33, Purvi Marg, DLF Phase -II, Sikanderpur, Ghosi Qe, Farr, Gurgaon, Haryana- 122002 |
| 2. | Mr. Anand Kumar Minda | 00007964 | Non-executive Director & Non Independent Director | N-2/31, DLF, Phase-II Gurgaon 122001, Haryana |
| 3 | Mr. Ravi Mehra | 01651911 | Whole Time Director | C-301 Park View City 1, Sohna Road Sector-48 South City-II, Gurgaon, Haryana-122018 |
| 4 | Mr. Krishan Kumar Jalan | 01767702 | Independent Director | Flat No. 302,The Hermitage CGHS Ltd.<br>Near Galleria Market, Sector-28, Chakarpur, Gurgaon, Haryana -122002 |
| 5 | Mr. Rakesh Batra | 06511494 | Independent Director | B5-169, Safdarjung Enclave, Ground Floor, New Delhi-110029 |
| 6 | Mr. Rajiv Batra | 00082866 | Independent Director | 3rd Floor, The Iris Apartment, Sr. No. 28/29A, Lane E, North Main Road, Koregaon Park, Pune, MH – 411 001, India |
| 7 | Mr. Satish Balkrishna Borwankar | 01793948 | Independent Director | A-4, 101, 7/1 to 7/5 8/1, Wadgaonsheri, Pune City, Pune, Maharashtra-411014 |
| 8 | Ms. Rashmi Hemant Urdhwareshe | 08668140 | Independent Director | Plot No.39, Usha-Prabha, Shantiban Housing Society, Near Gandhi Bhavan Kothrud, Pune, Maharashtra – 411038 |
| 9 | Mr. Vivek Jindal | 01074542 | Non-Executive & Non Independent Director | House No-706, Sector-15 Part-2, Gurugram Haryana India, 122001 |

m) The details of the promoter and promoter group of the Transferee Company along with their address holding shares in the Transferee Company:

| Name of the Promoter and promoter group | Address |
|---|---|
| Mr. Nirmal Kumar Minda | J-10/33, Purvi Marg DLF phase 2, Sikanderpur, Ghosi QE, FARR Gurgaon-122002, Haryana |
| Mrs. Suman Minda | J-10/33, Purvi Marg DLF phase 2, Sikanderpur, Ghosi QE, FARR Gurgaon 122002, Haryana |
| Ms. Pallak Minda | 704, Sector 15, Part 2, Gurgaon, Haryana 122001 |
| Ms. Paridhi Minda | 706, Sector 15, Part 2, Gurgaon, Haryana 122001 |
| Mr. Amit Minda | N-2/31, DLF Phase-II Gurgaon – 122001 Haryana |
| Mr. Anand Kumar Minda | N-2/31,DLF, Phase-II Gurgaon 122001 Haryana |
| Maa Vaishno Devi Endowment | A-15, Ashok Vihar, Phase-1, Delhi-110052 |
| Minda Investments Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| Singhal Fincap Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| Minda Finance Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |
| Minda International Limited | Village Naharpur Kasan, Nakhrola, Manesar, Gurgaon Haryana- 122004 |

a) The Pre-modified Scheme was placed before the Audit Committee of the Transferee Company at its meeting held on February 6, 2020. The Audit Committee of the Transferee Company considered the Valuation Report dated February 6, 2020 issued by M/s SSPA & Co, Chartered Accountants, and Fairness Opinion dated February 6, 2020 issued by INGA Ventures Private Limited. The Audit Committee of the Transferee Company based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Transferee Company. The Board of Directors of the Transferee Company, after taking on record the recommendation of the Audit Committee, approved the Scheme after taking on record Valuation Report dated February 6, 2020 issued by M/s. SSPA & Co. and Fairness Opinion report dated February 6, 2020 issued by M/s. INGA Ventures Private Limited. The same are annexed as **Annexure VA and Annexure VB** respectively to the Notice.

The Audit Committee and Board of Directors of the Transferee Company on September 26, 2022 approved the amendment in the Clause 10.1 & 10.1.1.of the Scheme and accordingly the modified Scheme, after considering the addendum to the valuation report dated September 23, 2022 issued by M/s SSPA & Co, Chartered Accountants for adjustment of bonus issue made by Transferee Company.

Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors | Vote (for/against/abstain from voting) for Pre-modified Scheme | Vote (for/against/abstain from voting) for modified Scheme |
|---|---|---|---|
| 1 | Mr. Nirmal K Minda | Absent | FOR |
| 2 | Mr. Anand Kumar Minda | FOR | FOR |
| 3 | Mr. Satish Sekhri[1] | FOR | Not applicable |
| 4 | Ms. Paridhi Minda | FOR | FOR |
| 5 | Mr. Chandan Chowdhury[2] | FOR | Not applicable |
| 6 | Mr. Krishan Kumar Jalan | FOR | FOR |
| 7 | Ms. Pravin Tripathi | FOR | FOR |
| 8 | Mr. Ravi Mehra[3] | Not applicable | FOR |
| 8 | Mr. Rakesh Batra[4] | Not applicable | FOR |
| 9 | Mr. Rajiv Batra[5] | Not applicable | FOR |
| 10 | Mr. Satish Balkrishna Borwankar[6] | Not applicable | FOR |

[1]Mr. Satish Sekhri ceased to be a director w.e.f. April 1, 2022.

[2]Mr. Chandan Chowdhury ceased to be a director w.e.f. August 07, 2021.

[3]Mr. Ravi Mehra appointed as Whole Time Director w.e.f. April 1, 2021.

[4]Mr. Rakesh Batra appointed as Independent Director w.e.f. July 19, 2021

[5]Mr. Rajiv Batra appointed as Independent Director w.e.f. April 1, 2022

[6]Mr. Satish Balkrishna Borwankar appointed as Independent Director w.e.f. April 12, 2022.

b) Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferee Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.

c) Disclosure about the effect of the modified Scheme on the following persons of Transferee Company:

| | |
|---|---|
| Key managerial personnel(s) | No effect |
| Directors | No effect |
| Promoters and Non – promoter Members | No effect other than allotment of shares to those promoters who are also shareholders of the Transferor Company |
| Depositors | No effect. There are no depositors |
| Creditors | No effect |
| Deposit trustee | No effect. There is no Deposit Trustee |
| Debenture holders | No effect. There are no debenture holders |
| Debenture trustee | No effect. There is no Debenture Trustee |
| Employees | No effect |

**Capital Structure pre and post amalgamation**

The Pre-Scheme capital structure of the Transferor Company and the Transferee Company are detailed above.

The post-scheme, the Transferor Company will be dissolved without being wound up. The post-scheme capital structure of the Transferee Company will be as follows:

**A) Authorised Share Capital post amalgamation**

| **A. Authorised Share Capital** | **Amount in Rs.** |
|---|---|
| 77,62,13,000 equity shares of Rs. 2 each | 155,24,26,000 |
| 2,75,00,000 [8% non-cumulative redeemable preference shares of INR 10 each] | 27,50,00,000 |
| 3,36,94,945 [0.01% non-convertible redeemable preference shares of INR 100 each] | 3,36,94,94,500 |
| **Total** | **519,69,20,500** |

In view of the consolidation of authorized share capital of the Transferor Company with the Transferee Company and subsequent increase of authorised share capital of the Transferee Company in terms of this Clause, the existing clause V as contained in the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, and shall accordingly be modified by the increased Authorized Share Capital of the Transferor Company.

B. **Issued, Subscribed and Paid-up Share Capital post amalgamation**

| **B. Post Issued, Subscribed and Paid-up Share Capital** | **Amount in Rs.** |
|---|---|
| 57,38,33,584 Equity Shares of Rs. 2/- each | 1,14,76,67,168 |
| **Total** | **1,14,76,67,168** |

Post amalgamation shareholding pattern of the Company may undergo a change based upon exercise of ESOP options and allotment of shares of Transferee Company [Uno Minda Limited) pursuant to merger of Kosei Minda Aluminum Company Private Limited, Kosei Minda Mould Private Limited and Minda Kosei Aluminum Wheel Private Limited with Uno Minda Limited ("Kosei Merger"). The Kosei merger is subject to the requisite approval of regulatory authority including the Hon'ble NCLT.

**Shareholding Pattern-Pre and Post Amalgamation**

Pre-shareholding pattern of the Transferor Company and Pre and Post shareholding pattern of Transferee Company are attached as A**nnexure XI** of this notice. Post-Scheme (expected) shareholding pattern of the Transferee Company (based on shareholding pattern as on March 24, 2023). Since Post Shareholding pattern of Transferor Company is NIL, hence not given.

**7. Relationship between the Companies:**

The Transferor Company and Transferee Company are engaged in auto component business and both companies are of the same group.

**8. Rationale of the Scheme:**

i. The Transferor Company and Transferee Company are engaged in auto component business and both companies are of the same group;

ii. The Transferor Company is a developer of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products and solutions and consultancy services incidental thereto;

iii. The Transferor Company is in business of development of software, hardware, designing, programming in automotive mobility and information technology segment and automation providing products. Transferor Company Brand – I Connect and Carot have been established as a leading telematics brand in India (HW and IT)

iv. The Transferee Company desires to expand its business in automotive components and this amalgamation would lead to improved customer connect and enhanced market share across product segments relating to auto sector;

v. The Transferor Company's products like software, hardware, designing, programming in automotive mobility and information technology segment will synergize well with the product groups of the Company;

vi. The amalgamation will help the Transferee Company in creation of platform for a new business / product and to act as a gateway for growth and will ensure better operation management and expansion of business operations;

vii. By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as One-stop solution for wide range of components / products to the original equipment manufacturers (OEMs) and others;

viii. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable companies to realise benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximising stakeholder value;

ix. Opportunities for employees of the Transferee Company and Transferor Company to grow in a wider field of business;

x. Improvement in competitive position of the Transferee Company as a combined entity and also access to marketing networks/customers;

xi. The Scheme enables the Transferee Company to have control over the operations of the Transferor Company;

xii. The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.

**9. Salient Features of the post modification (Modified Scheme:**

The salient features of the Scheme are as follows:

1. ***DEFINITIONS***

*1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:*

***"Act"*** *means the Companies Act, 2013 to the extent of the provisions notified and the Companies Act, 1956 to the extent of its provisions in force and shall include any other statutory amendment or re-enactment or restatement and the rules and/or regulations and/or other guidelines or notifications under law, made thereunder from time to time;*

***"Appointed Date"*** *means the same date as the Effective Date or such other date that is mutually agreed in writing between the Transferor Company and the Transferee Company;*

***"Applicable Law"*** *or* ***"Law"*** *means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;*

***"Appropriate Authority"*** *means:*

*a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;*

*b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;*

*c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi- governmental authority including (without limitation), the RBI (as defined hereinafter), SEBI (as defined hereinafter) and the Tribunal (as defined hereinafter); and*

*d) any Stock Exchange.*

***"Board"*** *in relation to Transferor Company and the Transferee Company as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation under this Scheme or any other matter relating thereto;*

***"Business Day"*** *means a day (other than a Saturday, a Sunday or a public holiday) when commercial banks are open for ordinary banking business in Gurugram and Delhi, India;*

***"Effective Date"*** *in relation to the scheme, means last of the dates on which the copy of the order of Hon'ble National Company Law Tribunal sanctioning the Scheme of Amalgamation are filed by the Transferor Company and the Transferee Company with the Registrar of Companies.*

*Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.*

***"Eligible Members"*** *means the shareholders of any of the Transferor Company who shall be eligible to receive Securities issued by the Transferee Company as consideration under this Scheme on the Record Date.*

***"Encumbrance"*** *means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set-off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term "Encumber" shall be construed accordingly;*

***"Hon'ble National Company Law Tribunal" or "NCLT" or "Hon'ble Tribunal" or "Hon'ble NCLT"*** *means the Hon'ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company and Transferee Company.*

***"Hon'ble National Company Law Appellate Tribunal" or "NCLAT" or "Hon'ble NCLAT"*** *means the Hon'ble National Company Law Appellate Tribunal at New Delhi.*

***"INR"*** *means Indian Rupee, the lawful currency of the Republic of India;*

***"Parties"*** *shall mean collectively the Transferor Company and the Transferee Company and* ***"Party"*** *shall mean each of them, individually;*

***"Permits"*** *means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no-objection certificate, orders, whether governmental, statutory, regulatory or otherwise as required under Applicable Law or otherwise;*

***"Person"*** *shall mean any natural person, limited or unlimited liability company, corporation, one person company, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union,* *society, association, any Appropriate Authority or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law;*

***"RBI"*** *shall mean the Reserve Bank of India;*

***"Record Date"*** *in relation to Part II means the Effective Date;*

***"ROC"*** *means the Registrar of Companies, NCT of Delhi & Haryana. ;*

***"Scheme"*** *means this Scheme of Amalgamation, with or without any modification approved or imposed or directed by the Tribunal;*

***"SEBI"*** *means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;*

***"SEBI Circular"*** *means the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated 10 March, 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;*

***"Stock Exchanges"*** *means BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), as the case may be;*

***"Taxation" or "Tax" or "Taxes"*** *means all forms of direct or indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all surcharges, education cess, penalties, charges, costs and interest relating thereto;*

***"Tax Laws"*** *means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;*

***"Transferee Company"*** *means Uno Minda Limited (formerly known as Minda Industries Limited), a public listed company incorporated on 16th Day of September, 1992 under the provisions of the Companies Act, 1956, bearing CIN L74899DL1992PLC050333, and is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052;*

***"Transferee Company New Equity Shares"*** *means equity shares issued by the Transferee Company under Clause 10.1.1.*

***"Transferor Company"*** *means Minda I Connect Private Limited, a private company, incorporated on 30th Day of September, 2014 under the provisions of the Companies Act 2013, bearing CIN U35900DL2014PTC272202 and is having its registered office at B-64/1 Wazirpur Industrial Area, New Delhi DL 110052.*

*1.2 In this Scheme, unless the context otherwise requires:*

*1.2.1 words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;*

*1.2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;*

*1.2.3 the words "include" and "including" are to be construed without limitation;*

*1.2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;*

*1.2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder;*

*1.2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively; and*

*1.2.7 word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed to them.*

***PART II***

***4. TRANSFER OF ASSETS AND LIABILITIES***

*4.1 With effect from the opening of business hours of Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the Income-tax Act, 1961, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.*

*4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:*

*4.2.1 all assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by manual delivery or actual and/ or constructive delivery or by paying over or endorsement and/ or delivery, the same may be so transferred and delivered by the Transferor Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Appointed Date;*

*4.2.2 subject to Clause **4.2.3** below, with respect to the assets of the Transferor Company, other than those referred to in Clause **4.2.1** above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties) investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of the Transferee Company;*

*4.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold or under a license or permission to use (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immoveable property) shall without any act or deed or conveyance being required to done or executed stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company. It is clarified that with effect from the Effective Date, the Transferee Company shall be liable to pay the rent and taxes and fulfil all obligations in relation to the immovable properties and the relevant owners, licensors and lessors in accordance with the terms of the relevant lease/ license or rent agreements. Further, any security deposits and advance/ prepaid lease/ license fee paid by the Transferor Company with respect to the immovable property shall accrue to the Transferee Company;*

*4.2.4 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause4;*

*4.2.5 unless otherwise agreed to between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is party) related to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;*

4.2.6 *on and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and*

4.2.7 *without prejudice to the foregoing provisions of this Clause **4.2**, the Transferor Company and the Transferee Company shall be entitled to execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person, to give effect to the above provisions.*

5. ***PERMITS***

*With effect from the Appointed Date, all the Permits (including the licenses granted by any Governmental, statutory or regulatory bodies) held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and/ or Permit and/ or approval, as the case may be, and the Transferee Company shall keep a record and/ or account of such transactions.*

6. ***CONTRACTS, DEEDS ETC.***

*6.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the Appropriate Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, Permits, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) of the Transferee Company. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company' substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.*

*6.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.*

*6.3 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party thereto.*

7. ***EMPLOYEES***

7.1 *On the Scheme becoming effective, all employees, whether temporary or permanent employees and including all employees on probation, trainees and interns of the Transferor Company in service on the Effective Date, shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the Appropriate Authorities, by the Transferee Company.*

7.2 *Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.*

7.3 *Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.*

7.4 *Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.*

8. ***LEGAL PROCEEDINGS***

*If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "Proceedings" for the purposes of this clause) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company*

**9.** ***TAXES/ DUTIES/ CESS ETC.***

*Upon the Scheme becoming effective, by operation of law pursuant to the order of the Tribunal:*

9.1 *The unutilized credits relating to excise duties, custom duties, sales tax, service tax, VAT, goods and services tax and any other tax as applicable which remain unutilised in the electronic ledger of the Transferor Company shall be transferred to the Transferee Company upon filing of requisite forms. Thereafter the unutilized credit so specified shall be credited to the electronic credit ledger of the Transferor Company and the input and capital goods shall be duly adjusted by the Transferee Company in its books of accounts.*

9.2 *Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, wealth tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable. Minimum alternative tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall be available to the Transferee Company.*

9.3 *If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall stand vested in the Transferee Company.*

9.4 *The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT / GST returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, credit of dividend distribution tax, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.*

9.5 *It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled* *thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.*

***10 CONSIDERATION***

*10.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:*

*10.1.1 20 (Twenty) fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;*

*10.2 The Securities issued to the members of the Transferor Company shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the articles of association of the Transferee Company.*

*10.3 The Securities issued to the members of the Transferor Company by the Transferee Company pursuant to this Clause 10 shall be issued in dematerialized form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the securities shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depositary participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialized securities to the account of such member. In the event the Transferee Company has received notice from any member that Securities are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depositary participant or other confirmations as may be required, then the Transferee Company shall issue Securities in physical form to such member.*

*10.4 In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a Security of the Transferee Company, the Transferee Company shall not issue any fractional Security to such shareholder but shall consolidate such fractions and issue consolidated Securities to a trustee nominated by the Transferee Company in that behalf, who shall sell such Securities at such price or prices and on such time or times as the trustee may in its sole discretion decide and upon such sale distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders entitled to the same in proportion to their fractional entitlements. It is hereby clarified that any such consolidation of fractional Security further results into fractional Security(ies), the Transferee Company shall not issue any such fractional Security but shall round off the fraction to the next integer before issuing such consolidated Securities.*

*10.5 The Securities to be issued by the Transferee Company pursuant to this Clause 10 in respect of such of the equity shares of the Transferor Company which are held in abeyance under Section 126 of the Companies Act 2013 shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Transferee Company. In the event of any dispute in relation to the ownership of any equity shares of the Transferor Company, Transferee Company New Equity Shares shall be issued and allotted in respect of such shares (pursuant to this Clause 10), which shares (together with any fractional entitlements) shall be held in trust for and on behalf of the holder of the equity shares of the Transferor Company by the Transferee Company, pending settlement of dispute by order of Court or otherwise.*

*10.6 The Securities to be issued in lieu of the shares of the Transferor Company held in the unclaimed suspense account shall be issued to the unclaimed suspense account created for shareholders of the Transferee Company.*

*10.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Transferee Company and in relation to the Securities issued by the Transferee Company after the effectiveness of the Scheme under this Clause 10. The Board of Directors of the Transferor Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transaction period.*

*10.8 The Securities issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the memorandum and articles of association of the Transferee Company. The Transferee Company New Equity Shares shall rank pair- passu inter-se with the existing equity shares of the Transferee Company in all respects including dividends declared, voting and other rights, as permissible under Applicable Law. The issue and allotment of Securities of the Transferee Company in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Companies Act, 2013 and any other applicable provisions of the Act have been complied with.*

*10.9 The Transferee Company shall, subject to Clause 18 of this Scheme and if necessary to the extent required, increase/ reclassify its authorized share capital to facilitate issue of Securities under this Scheme. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Transferee Company as required under Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013.*

*10.10 The new equity shares to be issued and allotted by the Transferee Company in terms of Clause 10.1.1. above shall be in compliance with the requirements of applicable regulations will be listed and admitted to trading on the stock exchange(s) where the existing equity shares of the Transferee Company are listed. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the Stock Exchange(s). On such formalities being fulfilled, the Stock Exchange(s) shall list and/ or admit the New Equity shares for the purpose of trading.*

*10.11 Subject to the provisions of the scheme, the Equity Shares of the Transferee Company to be issued and allotted under the Scheme shall remain frozen in the depositories system until listing and trading permission is granted by the stock exchanges.*

***11. ACCOUNTING TREATMENT BY THE TRANSFEREE COMPANY IN RESPECT OF ASSETS AND LIABILITIES***

*The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combination) as notified under Section 133 of the Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.*

***GENERAL TERMS & CONDITIONS***

***12. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS***

*12.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof, if any, of the Transferor Company shall without any further act, instrument or deed be and stand discharged. The name of the Transferor Company shall be struck off from the records of the RoC and the Transferee Company shall make necessary filings in this regard.*

*12.2 Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.*

***13. BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF BUSINESS FOR THE TRANSFEREE COMPANY***

*Unless otherwise stated herein below, with effect from the Appointed Date and up to and including the Effective Date:*

*13.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for the Transferee Company. Each of the Transferor Company hereby undertake to hold the said assets with utmost prudence until the Effective Date.*

*13.2 With effect from the date of the Board meeting of the Parties approving the Scheme and up to and including the Effective Date, each of the Parties shall preserve and carry on its business and activities with reasonable diligence, business prudence and in ordinary course consistent with past practices.*

*13.3 All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.*

*13.4 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of its employees, without the prior consent of the Transferee Company, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.*

*13.5 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not, without the prior written approval of the Board of Directors of the Transferee Company, make any change in its capital structure, whether by way of increase, decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner.*

*13.6 Notwithstanding anything stated in this Scheme, upon the Scheme becoming effective, and if required, the Transferee Company is authorized to execute all such deeds and documents, whatsoever, that may be required and/or ought to have been executed* *by the Transferor Company, as if the Transferor Company were in existence.*

*13.7 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.*

***14. PROPERTY IN TRUST***

*14.1 Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of the Appropriate Authority(ies), regulatory bodies or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authority(ies) and till such time as may be mutually agreed by Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company. It is further clarified that on the Effective Date, notwithstanding the Scheme being made effective, any asset/ liability identified as part of the Transferor Company pending transfer due to the pendency of any approval/ consent and/ or sanction shall be held in trust by the Transferor Company for the Transferee Company. Immediately upon receipt of such approval/ consent and/ or sanction such asset and/ or liability forming part of the Transferor Company shall without any further act/ deed or consideration be transferred/ vested in the Transferee Company, with all such benefits, obligations and rights with effect from the Effective Date. All costs, payments and other liabilities that the Transferor Company shall be required to bear to give effect to this Clause 14 shall be borne solely by the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.*

***15. COMBINATION AND INCREASE OF AUTHORISED CAPITAL***

*15.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company cumulatively amounting to INR 8,00,00,000 (Indian Rupees Eight Crores) will get amalgamated with that of the Transferee Company without payment of any additional fees, duties and Taxes as though the same have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act. The stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee and/or Taxes by the Transferee Company for increase in the authorised share capital to that extent.*

*15.2 Consequent upon the Scheme becoming effective and upon combination of authorised share capital of the Transferor Company with the Transferee Company, the authorised share capital of the Transferee Company shall be as under:*

| Particulars | INR |
|---|---|
| Authorised Share Capital*(refer note 1) | |
| 35,75,00,000 equity shares of INR 2each | 71,50,00,000 |
| 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of INR 10 each | 3,00,00,000 |
| 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of INR 2,187 each | 40,13,14,500 |
| 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of INR 10 each | 3,50,00,000 |
| 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of INR 10 each | 10,00,00,000 |
| Total | 128,13,14,500 |

*15.3 In view of the consolidation of authorized share capital of the Transferor Company with the Transferee Company and subsequent increase of authorised share capital of the Transferee Company in terms of this Clause, the existing capital clause contained in the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:*

***Memorandum of Association** ** (refer note 2)*

*"V. The Authorised Share Capital of the Company is Rs. 128,13,14,500 consisting of Rs. 71,50,00,000/- Equity Share Capital divided into 35,75,00,000 equity shares of Rs. 2/- each, Rs. 3,00,00,000 'A' Class 9% Cumulative Redeemable Preference Shares Capital divided into 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 40,13,14,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares Capital divided into 1,83,500 'B' Class*

*3% Cumulative Compulsory Convertible Preference Shares of Rs. 2,187/- each, Rs. 3,50,00,000 'C' Class 3% Cumulative Redeemable Preference Shares Capital divided into 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 10,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares Capital divided into 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of Rs. 10/- each."*

*15.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the memorandum of association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the memorandum of association of the Transferee Company as required under Sections 13, 61 and 64 of the Act and other applicable provisions of the Act.*

***16. APPLICATIONS/ PETITIONS TO THE TRIBUNAL***

*16.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company without being wound up.*

*16.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the, Transferee Company may require to own the assets and/ or liabilities of the Transferor Company, and to carry on the business of the Transferor Company*

***17. MODIFICATION OR AMENDMENTS TO THIS SCHEME***

*17.1 On behalf of each of the Parties, the Board of the respective companies acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e. the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.*

*17.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Parties acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.*

***18. CONDITIONS PRECEDENT***

*18.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:*

*18.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;*

*18.1.2 approval of the Scheme by the requisite majority of each class of shareholders of the Parties and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;*

*18.1.3 the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferee Company through e-voting,. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Transferee Company against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;*

*18.1.4 the sanctions and orders of the Tribunals, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;*

*18.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC by all the Parties; and*

*18.1.6 the requisite consent, approval or permission of the Appropriate Authority or any other Person, which by Applicable Law or contract, agreement, may be necessary for the effective transfer of business and/or implementation of the relevant parts of the Scheme.*

*18.2. Without prejudice to Clause 18.1 and subject to satisfaction or waiver of conditions mentioned in Clause 18.1 above, the Scheme shall be made effective in the order as contemplated below:*

*18.2.1 Part II of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 18.1by the Boards of the Transferor Company, and the Transferee Company; and*

18.3 *It is hereby clarified that submission of this Scheme to the Tribunals and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Parties may have under or pursuant to all Applicable Laws.*

18.4 *On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the said companies, if any, pursuant to Clause 18.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Part II set out in this Scheme, related matters and this Scheme itself.*

**PART III**

**GENERAL TERMS AND CONDITIONS**

**19. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME**

19.1. *Parties acting jointly through their respective Boards shall each be at liberty to withdraw from this Scheme.*

19.2 *Parties acting through their respective Boards shall each be at liberty to withdraw from this Scheme in case any of Parties is declared insolvent.*

19.3 *In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before 18 months from the date of approval of the Scheme by the Boards of the Parties or within such period as may be mutually agreed upon, between the Parties through their respective Boards or their authorised representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.*

19.4 *In the event of revocation/ withdrawal under Clause 19.1 or above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.*

19.5 *If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Parties through their respective Boards, affect the validity or implementation of the other parts and/ or provisions of this Scheme.*

**20. COSTS AND TAXES**

20.1 *Parties have agreed to bear the costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme in the following manner:*

20.1.1 *the Transferee Company shall bear the stamp duty costs in connection with Part II of the Scheme, interse as agreed amongst themselves;*

20.1.2 *all other costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be borne by the respective Parties.*

**THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF AMALGAMATION, YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF AMALGAMATION TO GET YOURSELF FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.**

**** Note 1:***

*Post adoption of the Pre-Modified Scheme by the Board, the authorized share capital of the Transferee Company has been increased to Rs. 511,69,20,500/- as on the date of this notice. Accordingly, post approval of the Modified Scheme, the Authorised share capital of the Transferee Company shall be as under:*

| **Authorised Share Capital** | **In Rs.** |
|---|---|
| 77,62,13,000 equity shares of INR 2 each | 155,24,26,000 |
| 2,75,00,000 [8% non-cumulative redeemable preference shares of INR 10 each] | 27,50,00,000 |
| 3,36,94,945 [0.01% non-convertible redeemable preference shares of INR 100 each] | 3,36,94,94,500 |
| **Total Authorised Share Capital** | **519,69,20,500** |

*** Note 2*

*Post adoption of the Scheme by the Board, the authorized share capital of the Transferee Company has been enhanced to Rs. 511,69,20,500/- as on the date of this notice. Accordingly, post approval of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall be as under:*

*"The Authorised Share Capital of the Company is Rs. 519,69,20,500/- (Rupees Five Hundred and Nineteen Crore Sixty Nine Lakh Twenty Thousand Five Hundred only) consisting of 77,62,13,000/- (Seventy Seven Crore Sixty Two Lakh Thirteen Thousand) Equity Shares of Rs. 2/- (Rupees Two only) each, 2,75,00,000 (Two Crore Seventy Five Lakh) 8% non-cumulative redeemable preference shares of Rs. 10/- (Rupees Ten) each and 3,36,94,945 (Three Crore Thirty Six Lakh Ninety Four Thousand Nine hundred and Forty Five only) 0.01% non-convertible redeemable preference shares of Rs. 100/- (Rupees One Hundred) each."*

**10. Submissions, Approvals and Other Information, Summary of Valuation Report and Fairness Opinion etc.**

a) The Proposed modified Scheme was duly approved by the Board of Directors of the Transferee Company on September 26, 2022

b) The Proposed modified Scheme was duly approved by the Board of Directors of the Transferor Company on September 26, 2022.

c) Copies of Pre-modified and Post modified Scheme of Amalgamation are forming part of this notice as **Annexure I and Annexure IA** respectively.

d) Order passed by the Hon'ble National Company Law Tribunal, New Delhi (Court-II) dated March 31, 2023, April 7, 2022, August 31, 2021, October 20, 2021 and order passed by the Hon'ble National Company Law Appellate Tribunal dated December 23, 2021 are forming part of this notice as **Annexure IIA**, **Annexure IIB, Annexure IIC, Annexure IID** and **Annexure II E** respectively.

e) Report adopted by the Board of Directors of the Transferor Company and Transferee Company as per the provisions of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on each of the equity shareholders, key managerial personnel, promoters and non- promoter shareholders, laying out in particular the share entitlement ratio are forming part of this notice as **Annexure III A** and **Annexure III B** respectively.

f) Addendum to the Report adopted by the Board of Directors of the Transferor Company and Transferee Company as per the provisions of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on each of the equity shareholders, key managerial personnel, promoters and non- promoter shareholders, laying out in particular the share entitlement ratio post bonus issue of shares by the Transferee Company are forming part of this notice as **Annexure III C** and **Annexure III D** respectively.

g) Copy of Unaudited financial results (with Limited Review Report) of Transferor and Transferee Company as at December 31, 2022 are forming part of this notice as **Annexure IVA** and **Annexure IVB** respectively.

h) Copy of Audited financial statements (with Auditors Report) of Transferor and Transferee Company as at March 31, 2022 are forming part of this notice as **Annexure IVC** and **Annexure IVD** respectively.

i) Valuation report, Addendum to the Valuation report, Fairness opinion and addendum to the Fairness Opinion are forming part of this notice as **Annexure VA, Annexure VB, Annexure VI and Annexure VIA** respectively. For summary of valuation report refer last page of the Valuation report. For summary of fairness opinion refer page three of the said report

j) Complaints Report is forming part of this notice as **Annexure VII.**

k) Observation letters from National Stock Exchange (NSE) and BSE Limited are forming part of this notice as **Annexure VIII.**

l) Auditor's Certificate under section 133 of the Companies Act, 2013 of the Transferee Company is forming part of this notice as **Annexure IX.**

m) Information of Transferor Company in the format of Abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is forming part of this notice as **Annexure-X**.

n) Pre-shareholding pattern of Transferor Company and pre and post shareholding pattern of Transferee Company as at March 24, 2023 is forming part of this notice as **Annexure XI.**

o) Details of capital/debt restructuring, if any: Nothing envisaged in the Scheme.

p) Benefits of the compromise or arrangement as perceived by the Board of directors to the Company, members, creditors and others (as applicable): The proposed amalgamation of the Transferor Company with the Transferee

Company in accordance with this Scheme would enable companies to realize benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximizing stakeholder value.

**11. Directors, Promoters and Key Managerial Personnel (KMP):**

a) The directors of the Transferor Company and the Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding directly, if any, in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies.

b) Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly, if any, in the respective companies that are the subject of the Scheme.

c) Save as aforesaid, none of the Directors and KMPs of the Transferor Company and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.

**12. General:**

a) The Transferee Company and the Compliance Officer of the Transferee Company received a Show Cause Notices on September 11, 2020 from SEBI under Rule 4(1) of SEBI (Procedure for Holding Inquiry and imposing penalties) Rules, 1995 ("Show Cause Notices").The Show Cause Notices was served upon the Transferee Company for the alleged delay in filling disclosures under Regulation 7(2) (b) of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") in respect of the trades undertaken by two of its designated persons. Transferee Company and its Compliance Officer filed their replies to the Show Cause Notices on September 28, 2020. On October 27, 2020, in a hearing on the show cause notice before the Enquiry and Adjudication Department, SEBI, Transferee Company and the Compliance Officer submitted that they are filing an application for settlement and hence requested SEBI to keep the proceedings in abeyance till the disposal of the matter. Subsequently, the Company filed the settlement application for (i) both the Show Cause Notices for settlement amount of Rs. 16.09 Lacs and (ii) for suo moto settlement of potential violations under regulation 7(2)(b) of the PIT Regulations for Rs. 22.80 Lacs. The application for suo moto settlement of potential violations was rejected by the High Powered Advisory Committee on June 14, 2021 on the grounds that the amount proposed by applicants was not in line with the amount calculated as per the SEBI (Settlement Proceedings) Regulations, 2018. The settlement proceedings for show cause notice has been completed. The settlement order dated May 13, 2022, has been passed by the appropriate authority of SEBI on payment of settlement amount of Rs. 5.47 Lacs for Company and Rs. 10.63 Lacs for Compliance Officer.

a) To the knowledge of Transferor Company and / or Transferee Company, there is no petition pending for winding up of the Transferor Company and/or Transferee Company and there is no investigation or proceedings MCA or SEBI, if any pending against Transferor Company and except above, the Transferee Company.

b) The proposed Scheme neither affect in any manner nor vary the rights in any manner of the Key Managerial Persons (as defined under the Companies Act, 2013) or directors of the Transferor Company or the Transferee Company. The Scheme also does not propose any capital or debt restructuring or any compromise or arrangement with the creditors of the Transferor Company or the Transferee Company.

c) In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules,2016, notice in the prescribed form and seeking approvals, sanctions or no-objections has been served to the concerned regulatory and government authorities for the purpose of the proposed Scheme.

d) Amount due to unsecured creditors as at February 28, 2023: -

- Transferor Company – Rs. 4,30,59,342/-
- Transferee Company – Rs. 10,01,15,36,537/-

e) Amount due to secured creditors as at February 28, 2023: -

- Transferor Company – Rs. 1,97,44,369/-
- Transferee Company – Rs. 320,80,03,660.92/-

Disclosures about the outstanding debts/loans of Rs. 9.02 crores:

The details of the debts/loans of the Transferor Company, as at 31 March, 2020 is given below: -

| Particulars | Rs./Crores |
|---|---|
| Secured loan from Bajaj Finance Limited | 2.86 |
| Unsecured loan from Non-Banking Finance Company | 6.00 |
| Lease Liability | 0.16 |
| **Total** | **9.02** |

13. The Scheme/modified scheme is conditional upon and subject to the following:

a) The modified scheme being approved by the requisite majorities in number and value of such classes of members and/or creditors (wherever applicable), of the Transferor Company as may be directed by Hon'ble NCLT.

b) Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE (as applicable);

c) The approval or sanction of the Hon'ble NCLT under Sections 230-232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme/modified scheme being obtained;

d) The certified/ authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies;

e) Any other approvals, sanctions or consents of any Governmental Authority or any statutory authorities as may be required by law for the implementation of Scheme being obtained.

**14.** Copy of the notices of the NCLT Convened meetings, the Scheme of Amalgamation (pre and post modification) along with Explanatory Statement under Section 230-232 of the Companies Act, 2013 have been placed on the website of the Transferee Company.

**15.** The following documents will be open for inspection at its registered office between 11.00 am to 2.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the Meeting:

a) Copy of the Company Application CA (CAA)-66 /ND/2021;

b) Copy of the Order dated August 31, 2021, Order dated October 20, 2021, Order dated April 7, 2022 and March 31, 2023 of the Hon'ble National Company Law Tribunal, New Delhi passed in the above Company Application;

c) Copy of the Order dated December 23, 2021 passed by Hon'ble NCLAT, New Delhi

d) Copy of Scheme of Amalgamation (Pre and Post proposed modification)

e) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;

f) Copy of the Unaudited Financial Results (with Limited Review Report) of the Transferee Company for the period ended December 31, 2022;

g) Copy of the Unaudited Financial Results (with Limited Review Report) of the Transferor Company for the period ended December 31, 2022;

h) Copy of Audited financial statements (with Auditors Report) of Transferor and Transferee Company as at March 31, 2022.

i) Report adopted by the Board of Directors of Transferor Company and Transferee Company as per the provisions of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on each of the shareholders, key managerial personnel, promoters and non- promoter shareholders;

j) Addendum to Report adopted by the Board of Directors of Transferor Company and Transferee Company as per the provisions of Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Scheme on each of the shareholders, key managerial personnel, promoters and non- promoter shareholders;

k) Certificate issued by the auditor of the Transferee Company to the effect that the accounting treatment, if any proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013;

l) Valuation Report and addendum to the Valuation Report

m) Fairness opinion report and addendum to the Fairness opinion report

n) Observation letter received from BSE and NSE

o) Letter dated February 9, 2023 sent to stock exchanges by the Transferee Company intimating about the proposed change of share swap ratio.

p) Pre and post shareholding pattern of Applicant Companies, as applicable.

q) Abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

**Dated : 9th day of April, 2023**
**Place :** New Delhi

**Sidharth Aggarwal**
**Chairperson of the Meeting**

**Registered Office:**
B-64/1, Wazirpur Industrial Area,
New Delhi- 110052

# Annexure – I

Pre-modified Scheme of Amalgamation ("Pre-modified Scheme")

SCHEME OF AMALGAMATION

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

OF

MINDA I CONNECT PRIVATE LIMITED

(Transferor Company)

WITH

UNO MINDA LIMITED

(FORMERLY KNOWN AS MINDA INDUSTRIES LIMITED)
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS

AND CREDITORS

For Minda I Connect Private Limited

Srivastava

Authorised Signatory

For UNO Minda Limited

Srivastava

Authorised Signatory

(A) **BACKGROUND OF THE COMPANIES**

1. **Minda I Connect Private Limited**, the "**Transferor Company**" is a Private company incorporated on 30th Day of September, 2014 under the provisions of the Companies Act, 2013 bearing CIN U35900DL2014PTC272202, and is having its registered office at B-64/1 Wazirpur, Industrial Area, New Delhi - 110052. The Transferor Company is engaged *inter alia* in the business of development of software, hardware and designing, programming in automotive mobility and Information technology segment, Automation providing product and solution.

2. **UNO Minda Limited (Formerly Known as Minda Industries Limited)**, the "**Transferee Company**", is a public company incorporated on 16th Day of September, 1992 under the provisions of the Companies Act, 1956 bearing CIN L74899DL1992PLC050333, and is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052. The Transferee Company is engaged *inter alia*in the business in India or abroad whether by itself or in collaboration whether Indian or Foreign the business of manufacturers, fabricators, assemblers and sub-assemblers processors, agents, importers, exporters, holders, stockists, distributors, buyers and sellers, dealer and suppliers of automobile parts and agricultural implements automotive and other gear transmissions axels, universal joints, springs, spring leaves, lighting kits tools attachments, jigs, fixtures, dies for engineering plastic goods manufacturing, autolights, electrical apparatus meter dynamos head lamps, sealed beams, components, parts accessories and fittings for the said articles and things used in connection with the manufacturer thereof, alloy springs, steel billets, flats and bars, pressed and other related items for motor cars, motors cycles, scooters, tractors, vans, jeeps lorries motor cars, motor cycles, scooters, mopeds, cycle, motor launches, aeroplanes and other vehicles and conveyance of all kinds and miners, shippers, suppliers of the thermplast and fibre glass, PVC and plastic products of all kinds, roofing and building materials of all kinds agricultural, sea and food products, fertilizers, iron and steel and its all types of products, metals minerals and its products, engineering goods electricals and electronic gadgets, games and toys of all description along with components devices, sole assemblies, accessories and materials used in their manufacture, components dyes, chemicals, pharmaceuticals, pigments, papers, cement, plastic, leather goods, handicrafts, processed foods, vegetables, fruits, dry-fruits, oil and cakes baby foods, milk and products thereof, dairies and its products, transport and handling agents, order suppliers, departmental stores, tobacco and tobacco products, cigarettes, jute and its products, hessian, textile including cotton, woolen, art silk, natural silk, readymade garments, hosiery, synthetics fibre and fabric and mixed fabrics, surgical, electronics and surgical, diamonds, precious stones, jewellery, artificial or otherwise pearls, pharmaceuticals electronics and surveying equipment and instruments, computer industry, television satellite, communication systems, radar equipment Computers, dry and inert cells, electrical goods and equipment, lamps tubes electronics industry, aeronautical industry, cable and plastic industry, furniture, musical items ceramics and refrectories, glass, soaps, cosmetics, publishers, stationers and all types of commodities, computer spare parts, raw materials merchandise and goods and to act as sellers, purchasers and dealers of licences, release orders, permits, quotas and to enter into all sorts of agreements relating to the above and all other types of commodities and merchandise.

(B) **RATIONALE OF THIS SCHEME**

1. The Transferor Company and Transferee Company are engaged in auto component business and both companies are of the same group;

2. The Transferor Company is a developer of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products and solutions and consultancy services incidental thereto;

3. The Transferor Company is in business of development of software, hardware, designing, programming in automotive mobility and information technology segment and automation providing products. Transferor Company Brand – I Connect and Carot have been established as a leading telematics brand in India (HW and IT)

4. The Transferee Company desires to expand its business in automotive components and this amalgamation would lead to improved customer connect and enhanced market share across product segments relating to auto sector;

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Srivastava
Authorised Signatory

For UNO Minda Limited
Srivastava
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5. The Transferor Company's products like software, hardware, designing, programming in automotive mobility and information technology segment will synergize well with the product groups of the Company;

6. The amalgamation will help the Transferee Company in creation of platform for a new business / product and to act as a gateway for growth and will ensure better operation management and expansion of business operations;

7. By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as One-stop solution for wide range of components / products to the original equipment manufacturers (OEMs) and others;

8. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable companies to realise benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximising stakeholder value;

9. Opportunities for employees of the Transferee Company and Transferor Company to grow in a wider field of business;

10. Improvement in competitive position of the Transferee Company as a combined entity and also access to marketing networks/customers;

11. The Scheme enables the Transferee Company to have control over the operations of the Transferor Company;

12. The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.

(C) **OVERVIEW AND OPERATION OF THIS SCHEME**

This Scheme provides for Amalgamation of the Transferor Company with the Transferee Company and the consequent issue of equity shares by the Transferee Company in the manner set out in this Scheme.

(D) **PARTS OF THIS SCHEME**

This Scheme is divided into the following parts:

1. **PART I** deals with the definitions of the terms used in this Scheme and share capital details of the Parties (*defined hereunder*);

2. **PART II** deals with the amalgamation of the Transferor Company with the Transferee Company and issue of consideration thereof;

3. **PART III** deals with the general terms and conditions that would be applicable to this Scheme.

**PART I**

**DEFINITIONS AND SHARE CAPITAL**

1. **DEFINITIONS**

1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:

"**Act**" means the Companies Act, 2013 to the extent of the provisions notified and the Companies Act, 1956 to the extent of its provisions in force and shall include any other statutory amendment or re-enactment or restatement and the rules and/or regulations and/or other guidelines or notifications under law, made thereunder from time to time;

"**Appointed Date**" means the same date as the Effective Date or such other date that is mutually agreed in writing between the Transferor Company and the Transferee Company;

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Authorised Signatory

For UNO Minda Limited

Authorised Signatory

"**Applicable Law**" or "**Law**" means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

"**Appropriate Authority**" means:

(a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;

(b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;

(c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi- governmental authority including (without limitation), the RBI (*as defined hereinafter*), SEBI (*as defined hereinafter*) and the Tribunal (*as defined hereinafter*); and

(d) any Stock Exchange.

"**Board**" in relation to Transferor Company and the Transferee Company as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation under this Scheme or any other matter relating thereto;

"**Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) when commercial banks are open for ordinary banking business in Gurugram and Delhi, India;

"**Effective Date**"in relation to the scheme, means last of the dates on which the copy of the order of Hon'ble National Company Law Tribunal sanctioning the Scheme of Amalgamation are filed by the Transferor Company and the Transferee Company with the Registrar of Companies.

Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

"**Eligible Members**" means the shareholders of any of the Transferor Company who shall be eligible to receive Securities issued by the Transferee Company as consideration under this Scheme on the Record Date.

"**Encumbrance**" means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set-off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term "**Encumber**" shall be construed accordingly;

**"Hon'ble National Company Law Tribunal" or "NCLT" or "Hon'ble Tribunal" or "Hon'ble NCLT"** means the Hon'ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company and Transferee Company.

**"Hon'ble National Company Law Appellate Tribunal" or "NCLAT" or "Hon'ble NCLAT"** means the Hon'ble National Company Law Appellate Tribunal at New Delhi.

"**INR**" means Indian Rupee, the lawful currency of the Republic of India;

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S Rivastava
Authorised Signatory

For UNO Minda Limited
S Rivastava
Authorised Signatory

"**Parties**" shall mean collectively the Transferor Company and the Transferee Company and "**Party**" shall mean each of them, individually;

"**Permits**" means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no-objection certificate, orders, whether governmental, statutory, regulatory or otherwise as required under Applicable Law or otherwise;

"**Person**" shall mean any natural person, limited or unlimited liability company, corporation, one person company, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, society, association, any Appropriate Authority or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law;

"**RBI**" shall mean the Reserve Bank of India;

"**Record Date**" in relation to Part II means the Effective Date;

"**ROC**" means the Registrar of Companies, NCT of Delhi & Haryana.;

"**Scheme**" means this Scheme of Amalgamation, with or without any modification approved or imposed or directed by the Tribunal;

"**SEBI**" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;

"**SEBI Circular**" means the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated 10 March, 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

"**Stock Exchanges**" means BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), as the case may be;

"**Taxation**" or "**Tax**" or "**Taxes**" means all forms of direct or indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all surcharges, education cess, penalties, charges, costs and interest relating thereto;

"**Tax Laws**" means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

"**Transferee Company**" means **UNO Minda Limited (Formerly known as Minda Industries Limited)**, a public listed company incorporated on 16th Day of September, 1992 under the provisions of the Companies Act, 1956, bearing CIN L74899DL1992PLC050333, and is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052;

"**Transferee Company New Equity Shares**" means equity shares issued by the Transferee Company under Clause 10.1.1.

"**Transferor Company**" means **Minda I Connect Private Limited**, a private company, incorporated on 30th Day of September, 2014 under the provisions of the Companies Act 2013, bearing CIN U35900DL2014PTC272202 and is having its registered office at B-64/1 Wazirpur, Industrial Area, New Delhi DL 110052.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;

1.2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;

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1.2.3 the words "include" and "including" are to be construed without limitation;

1.2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;

1.2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder;

1.2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively; and

1.2.7 word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed to them.

## 2. SHARE CAPITAL

2.1 The share capital of the Transferor Company as on 31st December 2019 is as follows:

| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 80,00,000 equity shares of INR 10 each | 8,00,00,000 |
| **Total** | 8,00,00,000 |
| **Issued, Subscribed and Paid-up Capital** | |
| 73,37,841 equity shares of INR 10 each | 7,33,78,410 |
| **Total** | 7,33,78,410 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

2.2 The share capital of the Transferee Company as on 31st December 2019 is as follows:

| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 31,75,00,000 equity shares of INR 2each | 63,50,00,000 |
| 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of INR 10 each | 3,00,00,000 |
| 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of INR 2,187 each | 40,13,14,500 |
| 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of INR 10 each | 3,50,00,000 |
| 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of INR 10 each | 10,00,00,000 |
| **Total** | **120,13,14,500** |
| **Issued, Subscribed and Paid-up Capital** | |
| 26,22,16,965 equity shares of INR 2 each | 52,44,33,930 |
| **Total** | **52,44,33,930** |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.

The equity shares of the Transferee Company are listed on the Stock Exchanges namely Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE).

## 3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal or made as per Clause 18 of this Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

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**PART II**

**AMALGAMATION OF THE TRANSFEROR COMPANY WITH TRANSFEREE COMPANY**

**4. TRANSFER OF ASSETS AND LIABILITIES**

4.1 With effect from the opening of business hours of Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the Income-tax Act, 1961, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:

4.2.1 all assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by manual delivery or actual and/ or constructive delivery or by paying over or endorsement and/ or delivery, the same may be so transferred and delivered by the Transferor Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Appointed Date;

4.2.2 subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties) investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of the Transferee Company;

4.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold or under a license or permission to use (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immoveable property) shall without any act or deed or conveyance being required to done or executed stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company. It is clarified that with effect from the Effective Date, the Transferee Company shall be liable to pay the rent and taxes and fulfil all obligations in relation to the immovable properties and the relevant owners, licensors and lessors in accordance with the terms of the relevant lease/ license or rent agreements. Further, any security deposits and advance/ prepaid lease/ license fee paid by the Transferor Company with respect to the immovable property shall accrue to the Transferee Company;

4.2.4 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

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4.2.5 unless otherwise agreed to between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is party) related to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;

4.2.6 on and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and

4.2.7 without prejudice to the foregoing provisions of this Clause 4.2, the Transferor Company and the Transferee Company shall be entitled to execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person, to give effect to the above provisions.

## 5. PERMITS

With effect from the Appointed Date, all the Permits (including the licenses granted by any Governmental, statutory or regulatory bodies) held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and/ or Permit and/ or approval, as the case may be, and the Transferee Company shall keep a record and/ or account of such transactions.

## 6. CONTRACTS, DEEDS ETC.

6.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the Appropriate Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, Permits, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) of the Transferee Company. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by

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operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company' substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

6.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

6.3 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party thereto.

**7. EMPLOYEES**

7.1 On the Scheme becoming effective, all employees, whether temporary or permanent employees and including all employees on probation, trainees and interns of the Transferor Company in service on the Effective Date, shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

7.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

7.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.

7.4 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.

**8. LEGAL PROCEEDINGS**

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "**Proceedings**" for the purposes of this

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clause) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company

**9. TAXES/ DUTIES/ CESS ETC.**

Upon the Scheme becoming effective, by operation of law pursuant to the order of the Tribunal:

9.1 The unutilized credits relating to excise duties, custom duties, sales tax, service tax, VAT, goods and services tax and any other tax as applicable which remain unutilised in the electronic ledger of the Transferor Company shall be transferred to the Transferee Company upon filing of requisite forms. Thereafter the unutilized credit so specified shall be credited to the electronic credit ledger of the Transferor Company and the input and capital goods shall be duly adjusted by the Transferee Company in its books of accounts.

9.2 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, wealth tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable. Minimum alternative tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall be available to the Transferee Company.

9.3 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall stand vested in the Transferee Company.

9.4 The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT / GST returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, credit of dividend distribution tax, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.

9.5 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

**10. CONSIDERATION**

10.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:

10.1.1 10 (Ten) fully paid equity share of INR 2 (Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;

10.2 The Securities issued to the members of the Transferor Company shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the articles of association of the Transferee Company.

10.3 The Securities issued to the members of the Transferor Company by the Transferee Company pursuant to this Clause 10 shall be issued in dematerialized form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Company to the

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Transferee Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the securities shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depositary participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialized securities to the account of such member. In the event the Transferee Company has received notice from any member that Securities are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depositary participant or other confirmations as may be required, then the Transferee Company shall issue Securities in physical form to such member.

10.4 In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a Security of the Transferee Company, the Transferee Company shall not issue any fractional Security to such shareholder but shall consolidate such fractions and issue consolidated Securities to a trustee nominated by the Transferee Company in that behalf, who shall sell such Securities at such price or prices and on such time or times as the trustee may in its sole discretion decide and upon such sale distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders entitled to the same in proportion to their fractional entitlements. It is hereby clarified that any such consolidation of fractional Security further results into fractional Security(ies), the Transferee Company shall not issue any such fractional Security but shall round off the fraction to the next integer before issuing such consolidated Securities.

10.5 The Securities to be issued by the Transferee Company pursuant to this Clause 10 in respect of such of the equity shares of the Transferor Company which are held in abeyance under Section 126 of the Companies Act, 2013 shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Transferee Company. In the event of any dispute in relation to the ownership of any equity shares of the Transferor Company, Transferee Company New Equity Shares shall be issued and allotted in respect of such shares (pursuant to this Clause 10), which shares (together with any fractional entitlements) shall be held in trust for and on behalf of the holder of the equity shares of the Transferor Company by the Transferee Company, pending settlement of dispute by order of Court or otherwise.

10.6 The Securities to be issued in lieu of the shares of the Transferor Company held in the unclaimed suspense account shall be issued to the unclaimed suspense account created for shareholders of the Transferee Company.

10.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Transferee Company and in relation to the Securities issued by the Transferee Company after the effectiveness of the Scheme under this Clause 10. The Board of Directors of the Transferor Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transaction period.

10.8 The Securities issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the memorandum and articles of association of the Transferee Company. The Transferee Company New Equity Shares shall rank *pari-passu* inter-se with the existing equity shares of the Transferee Company in all respects including dividends declared, voting and other rights, as permissible under Applicable Law. The issue and allotment of Securities of the Transferee Company in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Companies Act, 2013 and any other applicable provisions of the Act have been complied with.

10.9 The Transferee Company shall, subject to Clause 18 of this Scheme and if necessary to the extent required, increase/ reclassify its authorized share capital to facilitate issue of Securities under this Scheme. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and

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articles of association of the Transferee Company as required under Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

10.10 The new equity shares to be issued and allotted by the Transferee Company in terms of Clause 10.1.1. above shall be in compliance with the requirements of applicable regulations will be listed and admitted to trading on the stock exchange(s) where the existing equity shares of the Transferee Company are listed. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the Stock Exchange(s). On such formalities being fulfilled, the Stock Exchange(s) shall list and/ or admit the New Equity shares for the purpose of trading.

10.11 Subject to the provisions of the scheme, the Equity Shares of the Transferee Company to be issued and allotted shall remain frozen in the depositories system until listing and trading permission is granted by the stock exchanges.

## 11. ACCOUNTING TREATMENT BY THE TRANSFEREE COMPANY IN RESPECT OF ASSETS AND LIABILITIES

The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combination) as notified under Section 133 of the Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

## GENERAL TERMS & CONDITIONS

## 12. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

12.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof, if any, of the Transferor Company shall without any further act, instrument or deed be and stand discharged. The name of the Transferor Company shall be struck off from the records of the RoC and the Transferee Company shall make necessary filings in this regard.

12.2 Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

## 13. BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF BUSINESS FOR THE TRANSFEREE COMPANY

Unless otherwise stated herein below, with effect from the Appointed Date and up to and including the Effective Date:

13.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for the Transferee Company. Each of the Transferor Company hereby undertake to hold the said assets with utmost prudence until the Effective Date.

13.2 With effect from the date of the Board meeting of the Parties approving the Scheme and up to and including the Effective Date, each of the Parties shall preserve and carry on its business and activities with reasonable diligence, business prudence and in ordinary course consistent with past practices.

13.3 All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

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13.4 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of its employees, without the prior consent of the Transferee Company, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

13.5 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not, without the prior written approval of the Board of Directors of the Transferee Company, make any change in its capital structure, whether by way of increase, decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner.

13.6 Notwithstanding anything stated in this Scheme, upon the Scheme becoming effective, and if required, the Transferee Company is authorized to execute all such deeds and documents, whatsoever, that may be required and/or ought to have been executed by the Transferor Company, as if the Transferor Company were in existence.

13.7 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company

**14. PROPERTY IN TRUST**

14.1 Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of the Appropriate Authority(ies), regulatory bodies or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authority(ies) and till such time as may be mutually agreed by Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company. It is further clarified that on the Effective Date, notwithstanding the Scheme being made effective, any asset/ liability identified as part of the Transferor Company pending transfer due to the pendency of any approval/ consent and/ or sanction shall be held in trust by the Transferor Company for the Transferee Company. Immediately upon receipt of such approval/ consent and/ or sanction such asset and/ or liability forming part of the Transferor Company shall without any further act/ deed or consideration be transferred/ vested in the Transferee Company, with all such benefits, obligations and rights with effect from the Effective Date. All costs, payments and other liabilities that the Transferor Company shall be required to bear to give effect to this Clause 14 shall be borne solely by the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

**15. COMBINATION AND INCREASE OF AUTHORISED CAPITAL**

15.1 Upon the Scheme becoming effective, the authorised share capital of the and Transferor Company cumulatively amounting to INR 8,00,00,000 (Indian Rupees Eight Crores) will get amalgamated with that of the Transferee Company without payment of any additional fees, duties and Taxes as though the same have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act. The stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee and/or Taxes by the Transferee Company for increase in the authorised share capital to that extent.

15.2 Consequent upon the Scheme becoming effective and upon combination of authorised share capital of the Transferor Company with the Transferee Company, the authorised share capital of the Transferee Company shall be as under:

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| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 35,75,00,000 equity shares of INR 2each | 71,50,00,000 |
| 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of INR 10 each | 3,00,00,000 |
| 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of INR 2,187 each | 40,13,14,500 |
| 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of INR 10 each | 3,50,00,000 |
| 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of INR 10 each | 10,00,00,000 |
| **Total** | **128,13,14,500** |

15.3 In view of the consolidation of authorized share capital of the Transferor Company with the Transferee Company and subsequent increase of authorised share capital of the Transferee Company in terms of this Clause, the existing capital clause contained in the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

**Memorandum of Association**

"V. *The Authorised Share Capital of the Company is Rs. 128,13,14,500 consisting of Rs. 71,50,00,000/- Equity Share Capital divided into 35,75,00,000 equity shares of Rs. 2/- each, Rs. 3,00,00,000 'A' Class 9% Cumulative Redeemable Preference Shares Capital divided into 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 40,13,14,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares Capital divided into 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of Rs. 2,187/- each, RS. 3,50,00,000 'C' Class 3% Cumulative Redeemable Preference Shares Capital divided into 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 10,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares Capital divided into 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of Rs. 10/- each."*

15.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the memorandum of association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the memorandum of association of the Transferee Company as required under Sections 13, 61 and 64 of the Act and other applicable provisions of the Act.

**16. APPLICATIONS/ PETITIONS TO THE TRIBUNAL**

16.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company without being wound up.

16.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the, Transferee Company may require to own the assets and/ or liabilities of the Transferor Company, and to carry on the business of the Transferor Company

**17. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

17.1 On behalf of each of the Parties, the Board of the respective companies acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e. the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

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17.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Parties acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

**18. CONDITIONS PRECEDENT**

18.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

18.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

18.1.2 approval of the Scheme by the requisite majority of each class of shareholders of the Parties and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

18.1.3 the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferee Company through e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Transferee Company against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

18.1.4 the sanctions and orders of the Tribunals, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;

18.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC by all the Parties; and

18.1.6 the requisite consent, approval or permission of the Appropriate Authority or any other Person, which by Applicable Law or contract, agreement, may be necessary for the effective transfer of business and/or implementation of the relevant parts of the Scheme.

18.2 Without prejudice to Clause 18.1 and subject to satisfaction or waiver of conditions mentioned in Clause 18.1 above, the Scheme shall be made effective in the order as contemplated below:

18.2.1 Part II of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 18.1 by the Boards of the Transferor Company, and the Transferee Company; and

18.3 It is hereby clarified that submission of this Scheme to the Tribunals and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Parties may have under or pursuant to all Applicable Laws.

18.4 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the said companies, if any, pursuant to Clause 18.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Part II set out in this Scheme, related matters and this Scheme itself.

**PART III**
**GENERAL TERMS AND CONDITIONS**

**19. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME**

19.1 Parties acting jointly through their respective Boards shall each be at liberty to withdraw from this Scheme.

19.2 Parties acting through their respective Boards shall each be at liberty to withdraw from this Scheme in case any of Parties is declared insolvent.

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19.3 In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before 18 months from the date of approval of the Scheme by the Boards of the Parties or within such period as may be mutually agreed upon, between the Parties through their respective Boards or their authorised representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

19.4 In the event of revocation/ withdrawal under Clause 19.1 or above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

19.5 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Parties through their respective Boards, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

**20. COSTS AND TAXES**

20.1 Parties have agreed to bear the costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme in the following manner:

20.1.1 the Transferee Company shall bear the stamp duty costs in connection with Part II of the Scheme, *inter se* as agreed amongst themselves;

20.1.2 all other costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be borne by the respective Parties.

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## Annexure – I A

Post-modified Scheme of Amalgamation ("Post-modified Scheme or Modified Scheme")

SCHEME OF AMALGAMATION

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

OF

MINDA I CONNECT PRIVATE LIMITED

(Transferor Company)

WITH

UNO MINDA LIMITED

(FORMERLY KNOWN AS MINDA INDUSTRIES LIMITED)
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS

AND CREDITORS

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## (A) BACKGROUND OF THE COMPANIES

1. **Minda I Connect Private Limited**, the "**Transferor Company**" is a Private company incorporated on 30th Day of September, 2014 under the provisions of the Companies Act, 2013 bearing CIN U35900DL2014PTC272202, and is having its registered office at B-64/1 Wazirpur, Industrial Area, New Delhi - 110052. The Transferor Company is engaged *inter alia* in the business of development of software, hardware and designing, programming in automotive mobility and Information technology segment, Automation providing product and solution.

2. **UNO Minda Limited (Formerly Known as Minda Industries Limited)**, the "**Transferee Company**", is a public company incorporated on 16th Day of September, 1992 under the provisions of the Companies Act, 1956 bearing CIN L74899DL1992PLC050333, and is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052. The Transferee Company is engaged *inter alia*in the business in India or abroad whether by itself or in collaboration whether Indian or Foreign the business of manufacturers, fabricators, assemblers and sub-assemblers processors, agents, importers, exporters, holders, stockists, distributors, buyers and sellers, dealer and suppliers of automobile parts and agricultural implements automotive and other gear transmissions axels, universal joints, springs, spring leaves, lighting kits tools attachments, jigs, fixtures, dies for engineering plastic goods manufacturing, autolights, electrical apparatus meter dynamos head lamps, sealed beams, components, parts accessories and fittings for the said articles and things used in connection with the manufacturer thereof, alloy springs, steel billets, flats and bars, pressed and other related items for motor cars, motors cycles, scooters, tractors, vans, jeeps lorries motor cars, motor cycles, scooters, mopeds, cycle, motor launches, aeroplanes and other vehicles and conveyance of all kinds and miners, shippers, suppliers of the thermplast and fibre glass, PVC and plastic products of all kinds, roofing and building materials of all kinds agricultural, sea and food products, fertilizers, iron and steel and its all types of products, metals minerals and its products, engineering goods electricals and electronic gadgets, games and toys of all description along with components devices, sole assemblies, accessories and materials used in their manufacture, components dyes, chemicals, pharmaceuticals, pigments, papers, cement, plastic, leather goods, handicrafts, processed foods, vegetables, fruits, dry-fruits, oil and cakes baby foods, milk and products thereof, dairies and its products, transport and handling agents, order suppliers, departmental stores, tobacco and tobacco products, cigarettes, jute and its products, hessian, textile including cotton, woolen, art silk, natural silk, readymade garments, hosiery, synthetics fibre and fabric and mixed fabrics, surgical, electronics and surgical, diamonds, precious stones, jewellery, artificial or otherwise pearls, pharmaceuticals electronics and surveying equipment and instruments, computer industry, television satellite, communication systems, radar equipment Computers, dry and inert cells, electrical goods and equipment, lamps tubes electronics industry, aeronautical industry, cable and plastic industry, furniture, musical items ceramics and refrectories, glass, soaps, cosmetics, publishers, stationers and all types of commodities, computer spare parts, raw materials merchandise and goods and to act as sellers, purchasers and dealers of licences, release orders, permits, quotas and to enter into all sorts of agreements relating to the above and all other types of commodities and merchandise.

## (B) RATIONALE OF THIS SCHEME

1. The Transferor Company and Transferee Company are engaged in auto component business and both companies are of the same group;

2. The Transferor Company is a developer of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products and solutions and consultancy services incidental thereto;

3. The Transferor Company is in business of development of software, hardware, designing, programming in automotive mobility and information technology segment and automation providing products. Transferor Company Brand – I Connect and Carot have been established as a leading telematics brand in India (HW and IT);

4. The Transferee Company desires to expand its business in automotive components and this amalgamation would lead to improved customer connect and enhanced market share across product segments relating to auto sector;

5. The Transferor Company's products like software, hardware, designing, programming in automotive mobility and information technology segment will synergize well with the product groups of the Company;

6. The amalgamation will help the Transferee Company in creation of platform for a new business / product and to act as a gateway for growth and will ensure better operation management and expansion of business operations;

7. By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as One-stop solution for wide range of components / products to the original equipment manufacturers (OEMs) and others;

8. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable companies to realise benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximising stakeholder value;

9. Opportunities for employees of the Transferee Company and Transferor Company to grow in a wider field of business;

10. Improvement in competitive position of the Transferee Company as a combined entity and also access to marketing networks/customers;

11. The Scheme enables the Transferee Company to have control over the operations of the Transferor Company;

12. The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.

(C) **OVERVIEW AND OPERATION OF THIS SCHEME**

This Scheme provides for Amalgamation of the Transferor Company with the Transferee Company and the consequent issue of equity shares by the Transferee Company in the manner set out in this Scheme.

(D) **PARTS OF THIS SCHEME**

This Scheme is divided into the following parts:

1. **PART I** deals with the definitions of the terms used in this Scheme and share capital details of the Parties (*defined hereunder*);

2. **PART II** deals with the amalgamation of the Transferor Company with the Transferee Company and issue of consideration thereof;

3. **PART III** deals with the general terms and conditions that would be applicable to this Scheme.

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**PART I**

**DEFINITIONS AND SHARE CAPITAL**

1. **DEFINITIONS**

1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:

"**Act**" means the Companies Act, 2013 to the extent of the provisions notified and the Companies Act, 1956 to the extent of its provisions in force and shall include any other statutory amendment or re-enactment or restatement and the rules and/or regulations and/or other guidelines or notifications under law, made thereunder from time to time;

"**Appointed Date**" means the same date as the Effective Date or such other date that is mutually agreed in writing between the Transferor Company and the Transferee Company;

"**Applicable Law**" or "**Law**" means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

"**Appropriate Authority**" means:

(a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;

(b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;

(c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi- governmental authority including (without limitation), the RBI (*as defined hereinafter*), SEBI (*as defined hereinafter*) and the Tribunal (*as defined hereinafter*); and

(d) any Stock Exchange.

"**Board**" in relation to Transferor Company and the Transferee Company as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation under this Scheme or any other matter relating thereto;

"**Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) when commercial banks are open for ordinary banking business in Gurugram and Delhi, India;

"**Effective Date**"in relation to the scheme, means last of the dates on which the copy of the order of Hon'ble National Company Law Tribunal sanctioning the Scheme of Amalgamation are filed by the Transferor Company and the Transferee Company with the Registrar of Companies.

Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

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"**Eligible Members**" means the shareholders of any of the Transferor Company who shall be eligible to receive Securities issued by the Transferee Company as consideration under this Scheme on the Record Date.

"**Encumbrance**" means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set-off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term "**Encumber**" shall be construed accordingly;

**"Hon'ble National Company Law Tribunal" or "NCLT" or "Hon'ble Tribunal" or "Hon'ble NCLT"** means the Hon'ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company and Transferee Company.

**"Hon'ble National Company Law Appellate Tribunal" or "NCLAT" or "Hon'ble NCLAT"** means the Hon'ble National Company Law Appellate Tribunal at New Delhi.

"**INR**" means Indian Rupee, the lawful currency of the Republic of India;

"**Parties**" shall mean collectively the Transferor Company and the Transferee Company and "**Party**" shall mean each of them, individually;

"**Permits**" means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no-objection certificate, orders, whether governmental, statutory, regulatory or otherwise as required under Applicable Law or otherwise;

"**Person**" shall mean any natural person, limited or unlimited liability company, corporation, one person company, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, society, association, any Appropriate Authority or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law;

**"RBI"** shall mean the Reserve Bank of India;

"**Record Date**" in relation to Part II means the Effective Date;

"**ROC**" means the Registrar of Companies, NCT of Delhi & Haryana.;

"**Scheme**" means this Scheme of Amalgamation, with or without any modification approved or imposed or directed by the Tribunal;

"**SEBI**" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;

"**SEBI Circular**" means the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated 10 March, 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

"**Stock Exchanges**" means BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), as the case may be;

"**Taxation**" or "**Tax**" or "**Taxes**" means all forms of direct or indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains,

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net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all surcharges, education cess, penalties, charges, costs and interest relating thereto;

"**Tax Laws**" means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

"**Transferee Company**" means **UNO Minda Limited (Formerly known as Minda Industries Limited)**, a public listed company incorporated on 16th Day of September, 1992 under the provisions of the Companies Act, 1956, bearing CIN L74899DL1992PLC050333, and is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052;

"**Transferee Company New Equity Shares**" means equity shares issued by the Transferee Company under Clause 10.1.1.

"**Transferor Company**" means **Minda I Connect Private Limited**, a private company, incorporated on 30th Day of September, 2014 under the provisions of the Companies Act 2013, bearing CIN U35900DL2014PTC272202 and is having its registered office at B-64/1 Wazirpur, Industrial Area, New Delhi DL 110052.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;

1.2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;

1.2.3 the words "include" and "including" are to be construed without limitation;

1.2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;

1.2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder;

1.2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively; and

1.2.7 word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed to them.

## 2. SHARE CAPITAL

2.1 The share capital of the Transferor Company as on 31st December 2019 is as follows:

| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 80,00,000 equity shares of INR 10 each | 8,00,00,000 |
| **Total** | 8,00,00,000 |
| **Issued, Subscribed and Paid-up Capital** | |
| 73,37,841 equity shares of INR 10 each | 7,33,78,410 |
| **Total** | 7,33,78,410 |

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Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

2.2 The share capital of the Transferee Company as on 31st December 2019 is as follows:

| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 31,75,00,000 equity shares of INR 2each | 63,50,00,000 |
| 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of INR 10 each | 3,00,00,000 |
| 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of INR 2,187 each | 40,13,14,500 |
| 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of INR 10 each | 3,50,00,000 |
| 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of INR 10 each | 10,00,00,000 |
| **Total** | **120,13,14,500** |
| **Issued, Subscribed and Paid-up Capital** | |
| 26,22,16,965 equity shares of INR 2 each | 52,44,33,930 |
| **Total** | **52,44,33,930** |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.

The equity shares of the Transferee Company are listed on the Stock Exchanges namely Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE).

**3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME**

3.1 This Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal or made as per Clause 18 of this Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

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PART II

## AMALGAMATION OF THE TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

### 4. TRANSFER OF ASSETS AND LIABILITIES

4.1 With effect from the opening of business hours of Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the Income-tax Act, 1961, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:

4.2.1 all assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by manual delivery or actual and/ or constructive delivery or by paying over or endorsement and/ or delivery, the same may be so transferred and delivered by the Transferor Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Appointed Date;

4.2.2 subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties) investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of the Transferee Company;

4.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold or under a license or permission to use (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immoveable property) shall without any act or deed or conveyance being required to done or executed stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company. It is clarified that with effect from the Effective Date, the Transferee Company shall be liable to pay the rent and taxes and fulfil all obligations in relation to the immovable properties and the relevant owners, licensors and lessors in accordance with the terms of the relevant lease/ license or rent agreements. Further, any security deposits and advance/ prepaid lease/ license fee paid by the Transferor Company with respect to the immovable property shall accrue to the Transferee Company;

4.2.4 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

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4.2.5 unless otherwise agreed to between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is party) related to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;

4.2.6 on and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and

4.2.7 without prejudice to the foregoing provisions of this Clause 4.2, the Transferor Company and the Transferee Company shall be entitled to execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person, to give effect to the above provisions.

## 5. PERMITS

With effect from the Appointed Date, all the Permits (including the licenses granted by any Governmental, statutory or regulatory bodies) held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and/ or Permit and/ or approval, as the case may be, and the Transferee Company shall keep a record and/ or account of such transactions.

## 6. CONTRACTS, DEEDS ETC.

6.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the Appropriate Authority sanctioning the Scheme, and on this Scheme becoming effective be

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deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, Permits, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) of the Transferee Company. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company' substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

6.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

6.3 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party thereto.

**7. EMPLOYEES**

7.1 On the Scheme becoming effective, all employees, whether temporary or permanent employees and including all employees on probation, trainees and interns of the Transferor Company in service on the Effective Date, shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

7.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

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7.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.

7.4 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.

## 8. LEGAL PROCEEDINGS

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "**Proceedings**" for the purposes of this clause) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company

## 9. TAXES/ DUTIES/ CESS ETC.

Upon the Scheme becoming effective, by operation of law pursuant to the order of the Tribunal:

9.1 The unutilized credits relating to excise duties, custom duties, sales tax, service tax, VAT, goods and services tax and any other tax as applicable which remain unutilised in the electronic ledger of the Transferor Company shall be transferred to the Transferee Company upon filing of requisite forms. Thereafter the unutilized credit so specified shall be credited to the electronic credit ledger of the Transferor Company and the input and capital goods shall be duly adjusted by the Transferee Company in its books of accounts.

9.2 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, wealth tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable. Minimum alternative tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall be available to the Transferee Company.

9.3 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall stand vested in the Transferee Company.

9.4 The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT / GST returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, credit of dividend distribution tax, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.

9.5 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Tribunal having

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sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

**10. CONSIDERATION**

10.1 ***Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:***

10.1.1 ***20 (Twenty) fully paid equity share of INR 2 (Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member.***

10.2 The Securities issued to the members of the Transferor Company shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the articles of association of the Transferee Company.

10.3 The Securities issued to the members of the Transferor Company by the Transferee Company pursuant to this Clause 10 shall be issued in dematerialized form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the securities shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depositary participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialized securities to the account of such member. In the event the Transferee Company has received notice from any member that Securities are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depositary participant or other confirmations as may be required, then the Transferee Company shall issue Securities in physical form to such member.

10.4 In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a Security of the Transferee Company, the Transferee Company shall not issue any fractional Security to such shareholder but shall consolidate such fractions and issue consolidated Securities to a trustee nominated by the Transferee Company in that behalf, who shall sell such Securities at such price or prices and on such time or times as the trustee may in its sole discretion decide and upon such sale distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders entitled to the same in proportion to their fractional entitlements. It is hereby clarified that any such consolidation of fractional Security further results into fractional Security(ies), the Transferee Company shall not issue any such fractional Security but shall round off the fraction to the next integer before issuing such consolidated Securities.

10.5 The Securities to be issued by the Transferee Company pursuant to this Clause 10 in respect of such of the equity shares of the Transferor Company which are held in abeyance under Section 126 of the Companies Act, 2013 shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Transferee Company. In the event of any

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dispute in relation to the ownership of any equity shares of the Transferor Company, Transferee Company New Equity Shares shall be issued and allotted in respect of such shares (pursuant to this Clause 10), which shares (together with any fractional entitlements) shall be held in trust for and on behalf of the holder of the equity shares of the Transferor Company by the Transferee Company, pending settlement of dispute by order of Court or otherwise.

10.6 The Securities to be issued in lieu of the shares of the Transferor Company held in the unclaimed suspense account shall be issued to the unclaimed suspense account created for shareholders of the Transferee Company.

10.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Transferee Company and in relation to the Securities issued by the Transferee Company after the effectiveness of the Scheme under this Clause 10. The Board of Directors of the Transferor Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transaction period.

10.8 The Securities issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the memorandum and articles of association of the Transferee Company. The Transferee Company New Equity Shares shall rank *pari-passu* inter-se with the existing equity shares of the Transferee Company in all respects including dividends declared, voting and other rights, as permissible under Applicable Law. The issue and allotment of Securities of the Transferee Company in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Companies Act, 2013 and any other applicable provisions of the Act have been complied with.

10.9 The Transferee Company shall, subject to Clause 18 of this Scheme and if necessary to the extent required, increase/ reclassify its authorized share capital to facilitate issue of Securities under this Scheme. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Transferee Company as required under Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

10.10 The new equity shares to be issued and allotted by the Transferee Company in terms of Clause 10.1.1. above shall be in compliance with the requirements of applicable regulations will be listed and admitted to trading on the stock exchange(s) where the existing equity shares of the Transferee Company are listed. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the Stock Exchange(s). On such formalities being fulfilled, the Stock Exchange(s) shall list and/ or admit the New Equity shares for the purpose of trading.

10.11 Subject to the provisions of the scheme, the Equity Shares of the Transferee Company to be issued and allotted shall remain frozen in the depositories system until listing and trading permission is granted by the stock exchanges.

**11. ACCOUNTING TREATMENT BY THE TRANSFEREE COMPANY IN RESPECT OF ASSETS AND LIABILITIES**

The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combination) as notified under Section 133 of the Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

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GENERAL TERMS & CONDITIONS

**12. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS**

12.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof, if any, of the Transferor Company shall without any further act, instrument or deed be and stand discharged. The name of the Transferor Company shall be struck off from the records of the RoC and the Transferee Company shall make necessary filings in this regard.

12.2 Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

**13. BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF BUSINESS FOR THE TRANSFEREE COMPANY**

Unless otherwise stated herein below, with effect from the Appointed Date and up to and including the Effective Date:

13.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for the Transferee Company. Each of the Transferor Company hereby undertake to hold the said assets with utmost prudence until the Effective Date.

13.2 With effect from the date of the Board meeting of the Parties approving the Scheme and up to and including the Effective Date, each of the Parties shall preserve and carry on its business and activities with reasonable diligence, business prudence and in ordinary course consistent with past practices.

13.3 All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

13.4 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of its employees, without the prior consent of the Transferee Company, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

13.5 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not, without the prior written approval of the Board of Directors of the Transferee Company, make any change in its capital structure, whether by way of increase, decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner.

13.6 Notwithstanding anything stated in this Scheme, upon the Scheme becoming effective, and if required, the Transferee Company is authorized to execute all such deeds and documents, whatsoever, that may be required and/or ought to have been executed by the Transferor Company, as if the Transferor Company were in existence.

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13.7 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company

**14. PROPERTY IN TRUST**

14.1 Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of the Appropriate Authority(ies), regulatory bodies or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authority(ies) and till such time as may be mutually agreed by Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company. It is further clarified that on the Effective Date, notwithstanding the Scheme being made effective, any asset/ liability identified as part of the Transferor Company pending transfer due to the pendency of any approval/ consent and/ or sanction shall be held in trust by the Transferor Company for the Transferee Company. Immediately upon receipt of such approval/ consent and/ or sanction such asset and/ or liability forming part of the Transferor Company shall without any further act/ deed or consideration be transferred/ vested in the Transferee Company, with all such benefits, obligations and rights with effect from the Effective Date. All costs, payments and other liabilities that the Transferor Company shall be required to bear to give effect to this Clause 14 shall be borne solely by the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

**15. COMBINATION AND INCREASE OF AUTHORISED CAPITAL**

15.1 Upon the Scheme becoming effective, the authorised share capital of the and Transferor Company cumulatively amounting to INR 8,00,00,000 (Indian Rupees Eight Crores) will get amalgamated with that of the Transferee Company without payment of any additional fees, duties and Taxes as though the same have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act. The stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee and/or Taxes by the Transferee Company for increase in the authorised share capital to that extent.

15.2 Consequent upon the Scheme becoming effective and upon combination of authorised share capital of the Transferor Company with the Transferee Company, the authorised share capital of the Transferee Company shall be as under:

| Particulars | INR |
|---|---|
| **Authorised Share Capital** | |
| 35,75,00,000 equity shares of INR 2each | 71,50,00,000 |
| 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of INR 10 each | 3,00,00,000 |
| 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of INR 2,187 each | 40,13,14,500 |
| 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of INR 10 each | 3,50,00,000 |
| 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of INR 10 each | 10,00,00,000 |
| **Total** | **128,13,14,500** |

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15.3 In view of the consolidation of authorized share capital of the Transferor Company with the Transferee Company and subsequent increase of authorised share capital of the Transferee Company in terms of this Clause, the existing capital clause contained in the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

**Memorandum of Association**

*"V. The Authorised Share Capital of the Company is Rs. 128,13,14,500 consisting of Rs. 71,50,00,000/- Equity Share Capital divided into 35,75,00,000 equity shares of Rs. 2/- each, Rs. 3,00,00,000 'A' Class 9% Cumulative Redeemable Preference Shares Capital divided into 30,00,000 'A' Class 9% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 40,13,14,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares Capital divided into 1,83,500 'B' Class 3% Cumulative Compulsory Convertible Preference Shares of Rs. 2,187/- each, RS. 3,50,00,000 'C' Class 3% Cumulative Redeemable Preference Shares Capital divided into 35,00,000 'C' Class 3% Cumulative Redeemable Preference Shares of Rs. 10/- each, Rs. 10,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares Capital divided into 1,00,00,000 1% Non-Cumulative Fully Convertible Preference Shares of Rs. 10/- each."*

15.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the memorandum of association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the memorandum of association of the Transferee Company as required under Sections 13, 61 and 64 of the Act and other applicable provisions of the Act.

**16. APPLICATIONS/ PETITIONS TO THE TRIBUNAL**

16.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company without being wound up.

16.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the, Transferee Company may require to own the assets and/ or liabilities of the Transferor Company, and to carry on the business of the Transferor Company

**17. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

17.1 On behalf of each of the Parties, the Board of the respective companies acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e. the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

17.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Parties acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

CERTIFIED TRUE COPY
For Minda I Connect Private Limited
Srivastava
Authorised Signatory

CERTIFIED TRUE COPY
For UNO MINDA LIMITED
Srivastava
Authorised Signatory

## 18. CONDITIONS PRECEDENT

18.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

18.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

18.1.2 approval of the Scheme by the requisite majority of each class of shareholders of the Parties and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

18.1.3 the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferee Company through e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Transferee Company against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

18.1.4 the sanctions and orders of the Tribunals, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;

18.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC by all the Parties; and

18.1.6 the requisite consent, approval or permission of the Appropriate Authority or any other Person, which by Applicable Law or contract, agreement, may be necessary for the effective transfer of business and/or implementation of the relevant parts of the Scheme.

18.2 Without prejudice to Clause 18.1 and subject to satisfaction or waiver of conditions mentioned in Clause 18.1 above, the Scheme shall be made effective in the order as contemplated below:

18.2.1 Part II of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 18.1 by the Boards of the Transferor Company, and the Transferee Company; and

18.3 It is hereby clarified that submission of this Scheme to the Tribunals and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Parties may have under or pursuant to all Applicable Laws.

18.4 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the said companies, if any, pursuant to Clause 18.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Part II set out in this Scheme, related matters and this Scheme itself.

**PART III**
**GENERAL TERMS AND CONDITIONS**

## 19. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME

19.1 Parties acting jointly through their respective Boards shall each be at liberty to withdraw from this Scheme.

19.2 Parties acting through their respective Boards shall each be at liberty to withdraw from this Scheme in case any of Parties is declared insolvent.

CERTIFIED TRUE COPY
For Minda I Connect Private Limited
Srivastava
Authorised Signatory

CERTIFIED TRUE COPY
For UNO MINDA LIMITED
Srivastava
Authorised Signatory

19.3 In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before 18 months from the date of approval of the Scheme by the Boards of the Parties or within such period as may be mutually agreed upon, between the Parties through their respective Boards or their authorised representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

19.4 In the event of revocation/ withdrawal under Clause 19.1 or above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

19.5 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Parties through their respective Boards, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

**20. COSTS AND TAXES**

20.1 Parties have agreed to bear the costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme in the following manner:

20.1.1 the Transferee Company shall bear the stamp duty costs in connection with Part II of the Scheme, *inter se* as agreed amongst themselves;

20.1.2 all other costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be borne by the respective Parties.

CERTIFIED TRUE COPY

For Minda I Connect Private Limited

Srivastava

Authorised Signatory

CERTIFIED TRUE COPY

For UNO MINDA LIMITED

Srivastava

Authorised Signatory

# Annexure – II A

**IN THE NATIONAL COMPANY LAW TRIBUNAL**
**NEW DELHI BENCH (COURT – II)**

**Item No. 202**
**(CAA)-30/ND/2022**
**IA-258/2022**

**IN THE MATTER OF:**
**Minda I Connect Pvt. Ltd. and Uno Minda Limited ... Applicant/Petitioner**

**Under Section: 230-232**

**Order delivered on 31.03.2023**

**CORAM:**
**SHRI. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)**
**SHRI. L. N. GUPTA, HON'BLE MEMBER (T)**

**PRESENT:**

| | | |
|---|---|---|
| **For the Applicant** | : | Mr. Krishnendu Datta Sr. Adv, Adv. Pawan Sharma, Adv. Anuj Shah, Adv. Rahul Gupta |
| **For the RD** | : | Adv. Shankari Mishra |
| **For IT Department** | : | Adv. Puneet Rai Sr. Standing Counsel |
| **For the OL** | : | Ms. Hemlata Rawat and Mr. Aayushmaan Vatsyayana |

**ORDER**

**IA-258/2022:** The prayer made in the captioned IA reads thus:

> a) *"Permit the petitioners to amend the scheme in terms of the present app as enclosed as **Annexure A-7.***
>
> b) *Take Amended Scheme on record."*

We were of the view that the scheme of demerger/merger approved by the stakeholders viz. the members and the creditors of the applicant companies cannot be modified once the order is passed in the first motion application with reference to the meetings/NOC of the stakeholders qua the original scheme. In the wake, the applicant companies have filed the affidavit dated 28.03.2023 espousing therein that the Applicants are prepared to place the modified as also the original scheme before the stakeholders for their consideration and necessary decision. The text of the affidavit reads thus:

## ADDITIONAL AFFIDAVIT ON BEHALF OF APPLICANTS

I, Tarun Kumar Srivastava, son of Sh. Ashok Kumar Srivastava aged about 51 years, residing at Spaze Privy AT4, Tower B3, Flat No. G004, Sector-84, Sikenderpur Badha, Gurugram-122004, presently in New Delhi, do hereby solemnly affirm and state as under:

1. That I am Authorized Signatory for and on behalf of Transferor Company/Applicant Company No. 1 and Transferee Company/ Applicant Company No. 2 (hereinafter referred to as "**Applicant Companies**"). I am well acquainted with the facts and circumstances of the case and I am competent and authorized to make and file this affidavit on behalf of the Applicant Companies.

2. This Hon'ble Tribunal had permitted the Applicant Companies to file an affidavit to bring on record a proposal for holding meetings of the equity shareholders and creditors of the Applicant Companies to consider one modification to the Scheme of Amalgamation in terms of IA 258 of 2022.

3. Accordingly, the proposal with regard to conducting the meetings are as under:

   a. Separate meetings of Equity Shareholders, Unsecured Creditors and Secured Creditors of Transferor Company/Applicant No. 1 and Transferee Company/Applicant No. 2 will be held on 27.04.2023 through video conferencing with facility to vote through E-Voting only which will be facilitated by National Securities Depository Limited as under:

**Transferor Company/Applicant No. 1**

| Meeting | Equity Shareholders | Unsecured Creditors | Secured Creditors |
|---|---|---|---|
| Time | 9:00 a.m. IST | 10:15 a.m. IST | 11:30 a.m. IST |

**Transferee Company/Applicant No. 2**

| Meeting | Equity Shareholders | Secured Creditors | Unsecured Creditors |
|---|---|---|---|
| Time | 1:30 p.m. IST | 02:45 p.m. IST | 04:00 p.m. IST |

   b. The resolution to be placed before the respective meetings will be for the modification of the Scheme. Pre-modified scheme and post modified Scheme will be annexed to the explanatory statement of the Notice of respective meeting of equity shareholders, unsecured creditors and secured creditors of Applicant Companies.

c. The cut off dates for ascertaining the list of shareholders and creditors for the respective meetings will be as under:

**Transferor Company/Applicant No. 1**

| Meeting | Equity Shareholders | Unsecured Creditors | Secured Creditors |
|---|---|---|---|
| Cut off dates | 31.03.2023 | 28.02.2023 | 28.02.2023 |

**Transferee Company/Applicant No. 2**

| Meeting | Equity Shareholders | Secured Creditors | Unsecured Creditors |
|---|---|---|---|
| Cut off dates | 31.03.2023 | 28.02.2023 | 28.02.2023 |

d. Notices of the above meetings along with explanatory statements will be given to the equity shareholders and creditors as on the above cut off dates by email only at the last known address by the respective Applicant Companies at least two weeks before the meetings. Notices of the above meetings will also be given through newspaper advertisement in Business Standard in Hindi and English Delhi Edition at least two weeks before the meetings.

e. Facility of E-voting will be provided to all the equity shareholders and creditors of the Applicant Companies as on the cut off dates from 12.04.2023 to 26.04.2023 and on the date and time of the respective meetings.

f. Since facility of E-voting is being provided to all the equity shareholders and creditors of the Applicant Companies from 12.04.2023 to 26.04.2023 and also on the date and time of the respective meetings, the Quorum of the meetings will be as under:

**Transferor Company/Applicant No. 1**

| Meeting | Approximate total number of shareholders/creditors as on the respective cut off dates | Quorum |
|---|---|---|
| Equity Shareholders | 10 | 2 shareholders voting electronically before or at the meeting |
| Secured Creditors | 2 | 1 secured creditor voting electronically before or at the meeting |
| Unsecured Creditors | 16 | 2 unsecured creditors voting electronically before or at the meeting |

**Transferee Company/Applicant No. 2**

| Meeting | Approximate total number of shareholders/creditors as on the respective cut off dates | Quorum |
|---|---|---|
| Equity Shareholders | 1,32,000 | 30 shareholders voting electronically before or at the meeting |
| Secured Creditors | 8 | 2 secured creditors voting electronically before or at the meeting |
| Unsecured Creditors | 2900 | 15 unsecured creditors voting electronically before or at the meeting |

g. In case the above quorum is not satisfied at the respective meetings, then such meeting shall be adjourned for half an hour after which whatever number of shareholders and creditors who have voted electronically will constitute the quorum.

h. Further, the Applicant Companies propose the following persons as the Chairperson, Alternate Chairperson and Scrutinizer for the various meetings described above:

| Particulars | Proposed Chairperson | Proposed Alternate Chairperson | Proposed Scrutinizer |
|---|---|---|---|
| Meeting of Equity Shareholders, Secured Creditors and unsecured creditors of Transferor/Applicant No. 1 and Transferee Company/Applicant No. 2 | Mr. Krishan Kumar Jalan (Retired IAS Officer), Independent Director of Transferee Company/Applicant No. 2<br><br>Email: jalankk82@gmail.com<br><br>Mobile:9717829666 | Mr. Sidharth Aggarwal, Advocate<br><br>Email: sidharthaggarwal.ad@gmail.com<br><br>Mobile: 9810271460 | Mr. Devesh Kumar Vashisht, Practicing Company Secretary of DPV & Associates LLP<br><br>Email: devesh@dpvassociates.com<br><br>Mobile:9911701579 |

i. Report of the various respective meetings of the Applicant Companies are to be submitted before this Hon'ble Tribunal by the Chairperson within 7 working days from the date of the respective meetings.

4. The present affidavit is being *bonafide* and in the interest of justice. For Uno Minda Lin

In view of the affidavit (ibid), the application is **disposed of** with the following directions:

(a) The required meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors of Transferor Company/Applicant No. 1 and Transferee Company/Applicant No. 2 will be held through video conferencing with the facility to vote through e-voting only which will be facilitated by the National Securities Depository Limited as under:

| **Transferor Company/Applicant No. 1** | | | |
|---|---|---|---|
| **Meeting** | **Equity Shareholders** | **Unsecured Creditors** | **Secured Creditors** |
| Time | 9:00 a.m. IST | 10:15 a.m. IST | 11:30 a.m. IST |

| **Transferor Company/Applicant No. 2** | | | |
|---|---|---|---|
| **Meeting** | **Equity Shareholders** | **Unsecured Creditors** | **Secured Creditors** |
| Time | 1:30 p.m. IST | 02:45 p.m. IST | 04:00 p.m. IST |

(b) The pre-modified scheme as well as the modified scheme will be annexed to the explanatory statement of the notice of respective meetings of equity shareholders, unsecured creditors and secured creditors of the Applicant Companies (ibid).

(c) The cut off dates for ascertaining the list of shareholders and creditors for the respective meetings will be as under:

| **Transferor Company/Applicant No. 1** | | | |
|---|---|---|---|
| **Meeting** | **Equity Shareholders** | **Unsecured Creditors** | **Secured Creditors** |
| Cut off dates | 31.03.2023 | 28.02.2023 | 28.02.2023 |

| **Transferor Company/Applicant No. 1** | | | |
|---|---|---|---|
| **Meeting** | **Equity Shareholders** | **Unsecured Creditors** | **Secured Creditors** |
| Cut off dates | 31.03.2023 | 28.02.2023 | 28.02.2023 |

It goes without saying that the necessary publication regarding the agenda of meeting along with the original scheme and the modified scheme would be published in two national newspapers, one in vernacular and another one in English in circulation in the localities/areas where the registered offices of the petitioners are located. Mr. Sidharth Aggarwal, Advocate E-mail ID sidharthaggarwal.ad@gmail.com Mobile No. 9810271460 who is proposed by the Applicants as alternate Chairperson is appointed as chairman of the meetings. Mr. Devesh Kumar Vashisht, Practicing Company Secretary of DPV & Associates LLP, E-mail ID devesh@dpvassociates.com, Mobile No. 9911701579 whose name is also suggested by the Applicants is appointed as scrutinizer. The meetings would take place within 5 weeks from today.

(d) The quorum for the meetings would be as follows:

> *(a) 100% of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Company/Applicant No. 1.*
>
> *(b) 100% of the Equity Shareholders and Unsecured Creditors of the Transferee Company/Applicant No. 2.*
>
> *(c) 100% of the Secured Creditors of Transferee Company/Applicant No. 2.*

In the event of the quorum being not complete in the first call, the meetings would be called after 30 minutes and then the present members/secured creditors/unsecured creditors qua the applicant companies would satisfy the requirement of the quorum.

**With this, the present IA stands disposed of.**

-Sd-

**(L. N. GUPTA)**
**MEMBER (T)**

-Sd-

**(ASHOK KUMAR BHARDWAJ)**
**MEMBER (J)**

## Annexure – II B

**NATIONAL COMPANY LAW TRIBUNAL**
**NEW DELHI BENCH (COURT- II)**

**C.P.(CAA)-30/ND/2022**

**IN THE MATTER OF SCHEME OF AMALGAMATION :**

**AMONGST**

**MINDA I CONNECT PRIVATE LIMITED**

**...Transferor Company/Applicant No. 1**

**WITH**

**MINDA INDUSTRIES LIMITED**

**...Transferee Company/Applicant No. 2**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**Order Delivered on : 07.04.2022**

**Section: 230 to 232 of the Companies Act, 2013**

**CORAM**

**SH. ABNI RANJAN KUMAR SINHA, HON'BLE MEMBER (JUDICIAL)**
**SH. L. N. GUPTA, HON'BLE MEMBER (TECHNICAL)**

**PRESENT**

**For Applicant : Adv. Saurabh Kalia, FCS Priyanka**

## ORDER

## PER SHRI L. N. GUPTA, MEMBER (T)

This Company Petition jointly filed by the Applicant Companies is coming before us for admission, fixing a date for hearing and final disposal of the Application as well as for a direction for publication to be effected and issuance of notices to the concerned authorities for objections, if any, to the Composite Scheme of Amalgamation (hereinafter, referred to as the **"SCHEME"**).

2. As per the averments, the Registered offices of all the Applicant Companies are located in Delhi and hence, falling within the territorial jurisdiction of this Bench.

3. From the case record, it is seen that the First Motion Application seeking directions for dispensing the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors was filed before this Tribunal in C.A. (CAA)-66/ND/2021 under Sections 230-232 of the Companies Act, 2013. Vide Orders dated 31.08.2021 and 20.10.2021 directions were issued by this Tribunal (i) to convene the meeting of equity shareholders and Unsecured Creditors of the Transferee Company, (ii) dispense with the meeting of secured Creditors of the Transferee Company, and (iii) to dispense with the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Company.

4. That accordingly, the Chairman of the meeting Shri. Santosh Kumar Sahewala has filed its report dated 21.02.2022 stating that the Scheme has been duly passed by the Shareholders and Unsecured Creditors of the Transferee Company.

5. The prayers in this Petition by way of Second Motion are for fixing a date of hearing as well as other consequential direction in terms of the provisions of the Section 230 to 232 of Companies Act, 2013 read with Rule 16 of the Companies (Compromise, Arrangements and Amalgamation) Rules, 2016. It is now hereby ordered as follows :

(i) **The Petition stands Admitted.**

(ii) The date of hearing of the Petition filed by the Applicant Transferor Company for approval of the Scheme is fixed for 30.05.2022.

(iii) Notice of the hearing shall be published in the newspapers namely, "Business Standard" in English and "Business Standard" in Hindi (Delhi edition) in not less than 40 days before the aforesaid date fixed for hearing.

6. In addition to the publication of the above Public Notice, the Applicant Companies shall individually serve the notices of this Petition to the following Authorities, namely :

(a) Central Government through Regional Director (Northern region), Ministry of Corporate Affairs,

(b) Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs,

(c) Official Liquidator, Delhi

(d) The Income Tax Department,

(e) Jurisdictional Income Tax Authorities,

(f) Such other Sectoral Regulatory Authorities, which govern working of the Companies involved in the Scheme;

at least 40 days before the date fixed for hearing of this Petition.

7. That the Applicant Company shall, at least 7 days before the date of hearing of the Petition, file an Affidavit of Service in relation to the Newspaper publication effected as well as service of Notices on the Authorities as specified above including the Sectoral Regulators, if any.

8. Objections, if any, by the Authorities to whom Notices are given on or before the date of hearing fixed herein may be filed to the "SCHEME" contemplated by the Applicant Company, failing which it will be considered by this Tribunal that there is no objection to approval of the "SCHEME" on the part of the Authorities, subject to other conditions as may be applicable under the Companies Act, 2013 and relevant rules framed there under being satisfied.

-Sd- -Sd-

**(L. N. GUPTA)**
**MEMBER (T)**

**(ABNI RANJAN KUMAR SINHA)**
**MEMBER (J)**

(CAA) 30/ND/2022
Minda I Connect Pvt. Ltd. With Minda Industries Ltd.

# Annexure – II C

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## NATIONAL COMPANY LAW TRIBUNAL
## NEW DELHI BENCH (COURT- II)

C.A.(CAA)-66/ND/2021

IN THE MATTER OF SCHEME OF AMALGAMATION:

AMONGST

MINDA I CONNECT PRIVATE LIMITED
... Applicant Company 1 /Transferor Company

WITH

MINDA INDUSTRIES LIMITED
...Applicant Company 2 /Transferee Company

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

SECTION: 230-232 COMPANIES ACT, 2013

Order Delivered on: 31.08.2021

CORAM:

SHRI ABNI RANJAN KUMAR SINHA, HON'BLE MEMBER (JUDICIAL)

SHRI L. N. GUPTA, HON'BLE MEMBER (TECHNICAL)

PRESENT:

For Applicants : Advocate Saurabh Kalia

राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal नई दिल्ली New Delhi

02/09/2021

## ORDER

### PER L. N. GUPTA, MEMBER (T)

Under consideration is the Application No. CA(CAA)-66/ND/2021 filed jointly by the Applicant under Sections 230 to 232 of the Companies Act, 2013. The reliefs sought are for (i) convening, holding and conducting of the meetings of the Equity Shareholders and Unsecured Creditors of Transferee Company; (ii) dispensing with the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors of Transferor Company, and (iii) dispensing of the meeting of Secured Creditors of the Transferee Company for approval of 'Scheme of Amalgamation' (hereinafter called as '**Scheme**').

2. That Minda I Connect Private Limited (hereinafter referred as the "**Transferor Company**") having CIN No. U35900DL2014PTC272202, is a Private Limited company incorporated under the provisions of Companies Act, 2013 on 30.09.2014. The registered office of the Transferor Company is situated at B-64/1, Wazirpur Industrial Area, New Delhi-110052, India.

3. That Minda Industries Limited (hereinafter referred as the "**Transferee Company**") having CIN no. L74899DL1992PLC050333, is a Listed Company incorporated under the provisions of Erstwhile Companies Act, 1956 on 16.09.1992. The registered office of the Transferee Company is situated at B-64/1, Wazirpur Industrial Area, New Delhi-110052, India.

4. That the present Application has been jointly preferred by the Transferor Company and Transferee Company. Both the 'Transferor' and 'Transferee' Company together are called **'Applicant Companies'** hereinafter. That the Registered offices of both the Companies are in Delhi and therefore, the jurisdiction lies with this Bench.

5. It is seen that the Board of Directors of both the Applicant Companies vide separate meetings held on 06.02.2020 had approved the Scheme of Amalgamation.

6. It is stated by the Applicant companies that the aforesaid Scheme of Amalgamation will result in the following benefits:

(i) The amalgamation will help the Transferee Company in creation of platform for a new business/ product and to act as a gateway for growth and will ensure better operation management and expansion of business operations;

(ii) The amalgamation and through enhanced base of product offerings, the Transferee Company would serve as One-stop solution for wide range of components/ products to the original equipment manufacturers (OEMs) and others;

(iii) The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the Scheme would enable the companies to realise benefit of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximizing stakeholder value;



राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal नई दिल्ली बेंच New Delhi Bench

7. That it has been averred by the Applicant Companies on an Affidavit filed under Section 232(2)(a) of the Companies Act, 2013 that no investigation or proceedings are pending against any of the Applicant Companies.

8. That the Applicant Companies have also placed on record the Certificate from the Statutory Auditors confirming that their Accounting standards are in conformity with the provisions of Section 133 of the Companies Act, 2013.

9. That the Applicant Companies have filed their respective Memorandum of Association (MoAs) and Articles of Association (AoAs). The Applicant Companies have als filed their latest Balance Sheet as on 31.03.2020.

10. That the position regarding the Applicant Company-wise no. of Shareholders and Creditors and their consent through Affidavit is summarized below:

| Company | No. of Share holders | Percentage of Shareholders given Consent (in value) | No. of secured Creditors | Percentage of Secured Creditors given Consent | No. of Unsecured Creditors | Percentage of Unsecured Creditors given consent |
|---|---|---|---|---|---|---|
| Minda I Connect Private Limited (Transferor Company) | 10 | 100% in number and Value | 01 | 100% (in number and value) | 12 | 98.23% (in value) |
| Minda Industries Limited (Transferee Company) | 44,[illegible] | 0 | 08 | 99.83% (in value) | 4,2[illegible] | 0 |

11. That 100% 'in number and value' of the shareholders of the Transferor Company have given 'no objection' to the Scheme on affidavit. Therefore, the requirement of convening the Meeting of Shareholders in respect of the Transferor Company is dispensed with.

12. That 100% 'in number and value' of the Secured Creditors of the Transferor Company have given 'no objection' to the Scheme on an affidavit, the requirement of convening the meeting of Secured Creditors in respect of the Transferor Company is dispensed with.

13. Since 98.28% 'in value' of the Unsecured Creditors (which is more than 90% of the Unsecured Creditors) of the Transferor Company have given 'no objection' to the Scheme on an affidavit, the requirement of convening the meeting of unsecured of the Transferor Company is dispensed with.

14. That 99.83% 'in value' of the Secured Creditors of the Transferee Company have given 'no objection' to the Scheme on an affidavit, the requirement of convening the meeting of Secured creditors of the Transferee Company is dispensed with.

15. That further, the Transferee Company viz., Minda Industries Limited has sought relief with regard to convening of the meetings of Shareholders and Unsecured Creditors.

i. The Applicant/Transferee Company viz., Minda Industries Limited has 44,001 Equity Shareholders. The Shareholding Pattern of the Transferee Company is placed at Annexure A-12 of the Application. The meeting of the Equity Shareholders is scheduled to be held on 20.10.2021 at 10:30 a.m. via Video Conferencing at 3, August Kranti Marg, New Delhi 110016. Publication of the notice of the proposed meeting will be made in the "Business Standard" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition). The notices in this regard shall be sent by Courier or Registered Post or Speed Post and Email, addressed to each of the shareholders of the Transferee Company at the last known address and their email addresses as per its records. The notice shall be issued with clear 30 days prior to the date of the meeting. The Quorum for the meeting is fixed at 4,400 Shareholders. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the members present after 30 minutes but not less than 440 shall be deemed to constitute the quorum for the said meeting. The meeting will be chaired by Mr. Santosh Kumar Sahewala (IBBI Registration No. IBBI/IPA-001/IP-P00797/2017-18/11364 Email: sahewala@ssr.net.in) or in his absence by Ms. Santosh Goel (IBBI Registration No. IBBI/IPA-001/IP-P00823/2017-18/11399, Email Id: casantoshgoel @gmail.com) and Mr. Roshan Lal Jain (IBBI Registration No. IBBI/IPA-001/IP-P00966/2017-18/11567 Email Id: roshan ljain@yahoo.co.uk) is appointed as Scrutinizer. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting.



कम्पनी विधि अधिकरण
National Company Law Tribunal
नई दिल्ली बेंच
New Delhi Bench

ii. That it has been submitted that the Transferee Company has 2228 Unsecured Creditors. The list of Unsecured Creditors by an independent Chartered Accountant has been placed at Annexure A-14 of the Application. The meeting of the Secured Creditors is scheduled to be held on 20.10.2021, at 12:30 through video conferencing. Publication of the notice of the proposed meeting will be made in the "Business Standard" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition). The notices in this regard shall be sent by Courier or Registered Post or Speed Post or Email, addressed to each of the creditor of the Transferee Company, at their last known address or email addresses as per its records. The notice shall be issued with clear 30 days prior to the date of the meeting. The Quorum for the meeting is fixed at 222 unsecured creditors. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the creditors present but not less than 50 Creditors after 30 minutes shall be deemed to constitute the quorum for the said meeting. The meeting will be chaired by Mr. Santosh Kumar Sahewala (IBBI Registration No. IBBI/IPA-001/IP-P00797/2017-18/11364 Email: sahewala@ssr.net.in) or in his absence by Ms. Santosh Goel (IBBI Registration No. IBBI/IPA-001/IP-P00823/2017-18/11399, Email Id: casantoshgoel@gmail.com) and Mr. Roshan Lal Jain (IBBI Registration No. IBBI/IPA-001/IP-P00966/ 2017-18/11587 Email Id: roshanljain@yahoo.co.uk) is appointed as





राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
नई दिल्ली बैंच
New Delhi Bench

Scrutinizer. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting.

iii. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting.

16. Voting for the purpose of meeting of equity shareholders (including public shareholders) of the Transferee Company shall be undertaken on the proposed Scheme by voting in person and through postal ballot or through electronic means in accordance with the applicable provisions of the Companies Act, 2013 and SEBI laws and rules framed there under.

17. Voting for the purpose of meeting of unsecured creditors of the Transferee Company shall be undertaken by voting in person in accordance with the applicable provisions of the Companies Act, 2013 and rules framed there under.

18. Based on the prayer made by the Applicant Companies in the present Scheme of Amalgamation, this Bench directs, in accordance to Section 230(5) of the Companies Act, 2013, that the Applicant Companies shall serve the notices of these meetings to the following Authorities, namely :

(a) Central Government through Regional Director (Northern Region), Ministry of Corporate Affairs,

(b) Registrar of Companies (NCT of Delhi & Haryana), Ministry of Corporate Affairs,

(c) Official Liquidator, attached to the Delhi High Court;

(d) Jurisdictional Income Tax Authorities,

(e) Such other Sectoral Regulatory Authorities, which govern working of the Companies involved in the Scheme;

(f) Securities and Exchange Board of India (SEBI) and;

(g) BSE Limited and NSE Limited

at least 30 days before the date fixed for respective meetings of equity shareholders, secured creditors and unsecured creditors.

19. The Applicant Companies are directed to place the notice on their respective websites, if any, and also place the same on the Notice board of the registered office of Companies. The Applicant Companies are also directed to file the proof of service along with the paper publication, by way of an affidavit before the date of meeting.

20. The authorities are directed to make objection/representations, if any, within 30 days from the date of receipt of the Notice. In the event that no objections or representations are made within the stipulated time frame, it shall be presumed that they do not have any objections.

21. The Company Petition(s) shall be presented within 7 days from the date of filing the Chairman's Reports with the Registry of this Tribunal.

22. **Accordingly, the Application stands Allowed.**

-Sd-
**(L. N. GUPTA)**
**MEMBER (T)**

-Sd-
**(ABNI RANJAN KUMAR SINHA)**
**MEMBER (J)**

राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal New Delhi
02/09/2021





02.9.2021
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003

## Annexure – II D

FREE OF COST COPY

# NATIONAL COMPANY LAW TRIBUNAL
# NEW DELHI BENCH (COURT- II)

**IA-22/2021**
**In**
**C.A.(CAA)-66/ND/2021**

**IN THE MATTER OF SCHEME OF AMALGAMATION:**

**AMONGST**

**MINDA I CONNECT PRIVATE LIMITED**
**... Applicant Company 1 /Transferor Company**

**WITH**

**MINDA INDUSTRIES LIMITED**
**...Applicant Company 2 /Transferee Company**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**SECTION: 420 of the Companies Act, 2013 r/w Rule 11, 32 and 154 of NCLT Rules 2016**

**Order Delivered on: 20.10.2021**

**CORAM:**

**SHRI ABNI RANJAN KUMAR SINHA, HON'BLE MEMBER (JUDICIAL)**

**SHRI L. N. GUPTA, HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

For Applicants : Advocate Saurabh Kalia

राष्ट्रीय कम्पनी विधि अधिकरण National Company Law Tribunal 21.10.2021

## ORDER

## PER SHRI L. N. GUPTA, MEMBER (T)

The Applicant Companies have preferred this Application under Section 420 of Companies Act, 2013 read with Rule 11, 32 and 154 of NCLT Rules, 2016 seeking the following reliefs:

a) *"Rectify the order dated 31.08.2021 as stated in para 3(a) of the present application;*

b) *Modify the order dated 31.08.2021 as stated in para 3(b) of the present application.*

c) *Pass such order or further order(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case."*

2. It is stated by the Applicants that vide order dated 31.08.2021, this Bench had allowed the First Motion Application filed by the Applicant Companies.

3. That the present Application has been filed to seek rectification and modification of the order dated 31.08.2021.

4. As for the prayer for rectification, the following have been pointed out by the Applicant Companies :

i) *"It is mentioned in para 15 (i) that, venue of the meeting is mentioned as "3 August Kranti Marg, New Delhi-110016" whereas it should be "Lakshmipat Singhania Auditorium,* PHD House, Opposite Asian Games Village, New Delhi-110016" which is mentioned by us in the 'affidavit seeking direction for convening the meeting of equity shareholders and unsecured creditors of Transferee Company' filed vide e-filing No. 071010203821202 on 05.07.2021.

ii) It is mentioned in para 15(i) that, "the notices in this regard shall be sent by Courier or Registered Post or Speed Post **and** E-mail addressed to each of the shareholders of the Transferee Company at the last known address **and** their e-mail addresses as per its records", whereas we understand that the word "and" should be replaced with 'or' and accordingly, it should be "the notices in this regard shall be sent by Courier or Registered Post or Speed Post **or** Email addressed to each of the shareholders of the Transferee Company at the last known address **or** their e-mail addresses as per its records";

iii) It is mentioned in para 15(1) that, "the quorum for meeting is fixed at 4,400 shareholders. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the members present after 30 minutes but not less than 440 shall be deemed to constitute the quorum for the said meeting". However, this para should be "the quorum for meeting is fixed at 4,400 shareholders. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the members present after 30 minutes shall be deemed to constitute the quorum for the said meeting";

iv) It is mentioned in para 15(ii) that, "the meeting of **Secured creditors** is scheduled to be held on 20.10.2021, at 12.30 through video conferencing", from which **Secured creditors** should be replaced with "unsecured creditors".

*In Para no. 14 of the said order, it is mentioned "that 99.83% 'in value' of the secured creditors of the Transferee Company have given 'no objection to the Scheme on an affidavit, the requirement of convening the meeting of Secured creditors of the Transferee Company is dispensed with';*

v) *In last line of Para No. 18 of said order, it is mentioned that, "........at least 30 days before the date fixed for respective meetings of equity shareholders, secured creditors and unsecured creditors", from which secured creditors should be deleted as the meetings are required to be convened only for Equity shareholders and unsecured creditors of Transferee Company as per the directions given in Para no. 14 of the said order, "that 99.83% in value of the secured creditors of the Transferee Company have given 'no objection' to the Scheme on an affidavit, the requirement of convening the meeting of Secured creditors of the Transferee Company is dispensed with".*

5. As regards the prayer for modification, it has been pointed out by the Applicants that this Tribunal has not fixed the remuneration of Chairman, Alternate Chairman and Scrutinizer. Additionally, the following modification is sought by the Applicant Companies :

> *"ii. It is mentioned in para 15(ii) that, "the Quorum for the meeting is fixed at 222 unsecured creditors. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the creditors present but not less than 50 Creditors after 30 minutes shall be deemed to constitute the quorum for the said meeting." However, this para should be the Quorum for the meeting is fixed at 222 unsecured creditors. If the quorum*

*is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the creditors present after 30 minutes shall be deemed to constitute the quorum for the said meeting."*

6. After hearing submissions of the Applicant companies and perusing the documents on record, this Bench observes that the Applicants have filed the present Application under Section 420 of Companies Act, 2013. Therefore, we would like to examine whether the reliefs sought by the Applicant Companies fall under the ambit of Section 420 of Companies Act 2013 ? To adjudicate the same, it is necessary to visit the contents of Section 420(2) of Companies Act, 2013. The same are reproduced below :

***"420. Orders of Tribunal.-***

*(1) ......*

*(2) The Tribunal may, at any time within two years from the date of the order, with a view to rectifying any mistake apparent from the record, amend any order passed by it, and shall make such amendment, if the mistake is brought to its notice by the parties:"*

7. That a similar provision is contained under Rule 154 of NCLT Rules 2016, which is reproduced overleaf :

***"154. Rectification of Order.-*** *(1) Any clerical or arithmetical mistakes in any order of the Tribunal or error therein arising from any accidental slip or omission may, at any time, be corrected by the Tribunal on its own motion or on application of any party by way of rectification."*

8. That from the conjunct reading of Section 420(2) of Companies Act 2013 with Rule 154 of NCLT Rules 2016, it is observed that this Tribunal has jurisdiction only to rectify any mistake or error arising out of any accidental slip or omission, which is apparent on the face of record.

9. That it is submitted by the Applicant Companies that this Tribunal has not taken note of the venue of the meeting of Equity Shareholders, which was suggested to be at *Lakshmipat Singhania Auditorium, PHD House, Opposite Asian Games Village, New Delhi-110016.* While going through the order, we further observe that there was no venue prescribed for the meeting of the Unsecured Creditors.

10. That in terms of the prayer made by the Applicant companies, we hereby fix the venue of the meetings of both Shareholders and Unsecured Creditors at "Lakshmipat Singhania Auditorium, PHD House, Opposite Asian Games Village, New Delhi-110016". The order dated 31.08.2021 would stand rectified to this extent.

11. Further, as regards to the mode of issuing notices of the meetings of Unsecured Creditor and Shareholders, while taking note of the large number of Shareholders in the Transferee Company, it is held that the word 'and' used in the following phrase "*notices in this regard shall be sent by Courier or Registered Post or Speed Post* ***and*** *E-mail addressed to each of the shareholders of the Transferee Company at the last known address* ***and*** *their e-mail addresses as per its records.*" shall stand replaced with '**or**'.

12. That as regards the quorum for the shareholders' meeting, it is stated by the Applicant Companies that there should be no minimum limit set for the quorum if the initial quorum specified as 4,400 shareholders of the meeting is not attained within 30 minutes. However, this Bench has specified the minimum quorum as 440 shareholders, if the initial quorum of 4,400 shareholders is not attained within 30 minutes.

13. That we had noticed that there are 44,001 shareholders in the Transferee Company and the quorum prescribed of 440 shareholders comes to 10% of the total strength of the shareholders. That we hold that this Bench has fixed the minimum quorum consciously, which cannot be termed as a mistake apparent on the face of record. That under the garb of modification and rectification, the Applicant Companies are seeking review of the aforesaid direction which is not permissible under the Companies, Act 2013. Since this Tribunal as well as the Appellate Tribunal have time and again held that this Tribunal is having no power to review its own order. Therefore, we are not inclined to modify the direction issued as regards to the quorum of the meeting of Shareholders of the Transferee company.

14. That the Applicant Companies have made a similar prayer regarding change of quorum for the meeting of unsecured Creditors of the Transferee Company. In the light of the aforesaid discussion, we are also not inclined to modify the direction passed in regard to the quorum of meeting of the unsecured Creditors of the Transferee Company.

राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal नई दिल्ली बैंच New Delhi Bench

15. That the word "Secured Creditors" in Para 15(ii) the order dated 31.08.2021 is replaced with the word "Unsecured Creditors". Further, in Para 18 of the said order, the word "Secured Creditor" stands omitted in view of no directions passed with respect to convening meeting of secured Creditors of any of the Applicant Company.

16. That as prayed for, the remuneration of Chairman, Alternate Chairman and Scrutinizer of each of the meetings is fixed at Rs.1,00,000/- (one lakh) only each. That since the number of shareholders is quite high, both the chairman and alternate chairman shall work together for facilitating conduct of the meeting.

17. That the date of the Shareholders meeting as well as the meeting of the unsecured creditors of the Transferee Company is modified to 16.12.2021 at the same time as mentioned in the order dated 31.08.2021 at the venue specified (supra) in this order.

**18. The Application is accordingly allowed partially.**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **(L. N. GUPTA)** | **(ABNI RANJAN KUMAR SINHA)** |
| **MEMBER (T)** | **MEMBER (J)** |



21.X.2021
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003

# Annexure – II E

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL**
**PRINCIPAL BENCH, NEW DELHI**

**COMPANY APPEAL (AT) NO. 134 of 2021**
[Arising out of Order dated 20.10.2021 passed by National Company Law Tribunal, New Delhi Bench (Court-II), in IA No. 22 of 2021 in C.A. (CAA)-66/ND/2021]

**IN THE MATTER OF:**

**Minda I Connect Pvt. Ltd.**
**B-64/1, Wazirpur Industrial Area,**
**New Delhi – 110052**
**CINU35900DL2014PTC272202**
**Through its Authorized Representative**
**Mr. Tarun Kumar Srivastava** **...Appellant No. 1**

**With**

**Minda Industries Limited**
**B-64/1, Wazirpur Industrial Area,**
**New Delhi – 110052**
**CINL74899DL1992PLC050333**
**Through its Authorized Representative**
**Mr. Tarun Kumar Srivastava** **...Appellant No. 2**

**For Appellants:** **Mr. P Nagesh, Sr. Advocate with Mr. Rahul Kripalani, Mr. Akshay Sharma & Ms. Rea Bhalla, Advocates.**

**WITH**

**COMPANY APPEAL (AT) NO. 135 of 2021**
[Arising out of Order dated 31.08.2021 passed by National Company Law Tribunal, New Delhi Bench (Court-II), in C.A. (CAA)-66/ND/2021]

**IN THE MATTER OF:**
**Minda I Connect Pvt. Ltd.**
**B-64/1, Wazirpur Industrial Area,**
**New Delhi – 110052**
**CINU35900DL2014PTC272202**
**Through its Authorized Representative**
**Mr. Tarun Kumar Srivastava** **...Appellant No. 1**

**With**

**Minda Industries Limited**
**B-64/1, Wazirpur Industrial Area,**
**New Delhi – 110052**
**CINL74899DL1992PLC050333**

**Through its Authorized Representative Mr. Tarun Kumar Srivastava** **...Appellant No. 2**

**For Appellants:** **Mr. P Nagesh, Sr. Advocate with Mr. Rahul Kripalani, Mr. Akshay Sharma & Ms. Rea Bhalla, Advocates.**

## J U D G E M E N T

**[Per: Shreesha Merla, Member (T)]**

1. Aggrieved by the Order in C.A.(CAA)-66/ND/2021 dated 31.08.2021 passed by NCLT (National Company Law Tribunal, New Delhi Bench, Court-II), the Appellants namely *Minda I Connect Pvt. Ltd. and Minda Industries Limited*, preferred this Appeal under Section 421 of the Companies Act, 2013. There are no Respondents in these Appeals.

2. On 02.06.2021, an Application under Section 230-232 of the Companies Act, 2013 (hereinafter referred to as the 'Act') was filed for seeking exemptions from and/or seeking directions for convening/holding of the meetings of Shareholders and/or Creditors of the Appellant 1/Company and Appellant 2/Company (hereinafter collectively referred to as 'the Appellants Company'), to consider and approve the Scheme of Amalgamation.

3. On 31.08.2021, NCLT dispensed with the meetings of Shareholders, Secured Creditors and Unsecured Creditors of the Appellants Company, however directed that at least 440 Shareholders and at least 50 Unsecured Creditors of the Second Appellant Company were required to conduct the respective meetings which would approve the Scheme of Amalgamation.

4. By the Impugned Order, NCLT has observed as follows:

> *"15. That further, the Transferee Company viz., Minda Industries Limited has sought relief with regard to convening of the meetings of Shareholders and Unsecured Creditors.*

*i. The Applicant/Transferee Company viz., Minda Industries Limited has 44,001 Equity Shareholders. The Shareholding Pattern of the Transferee Company is placed at Annexure A-12 of the Application. The meeting of the Equity Shareholders is scheduled to be held on 20.10.2021 at 10:30 a.m. via Video Conferencing at 3, August Kranti Marg, New Delhi 110016. Publication of the notice of the proposed meeting will be made in the "Business Standard" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition). The notices in this regard shall be sent by Courier or Registered Post or Speed Post and Email, addressed to each of the shareholders of the Transferee Company at the last known address and their email addresses as per its records. The notice shall be issued with clear 30 days prior to the date of the meeting. The Quorum for the meeting is fixed at 4,400 Shareholders. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the members present after 30 minutes but not less than 440 shall be deemed to constitute the quorum for the said meeting. The meeting will be chaired by Mr. Santosh Kumar Sahewala (IBBI Registration No. IBBI/IPA-001/IPP00797/2017-18/11364 Email: sahewala@ssr.net.in) or in his absence by Ms. Santosh Goel (IBBI Registration No. IBBI/IPA-001/1P-P00823/2017-18/11399, Email Id: casantoshgoel@gmail.com; and Mr. Roshan Lal Jain (IBBI Registration No. IBBI/IPA-001/IP-P00966/2017-18/11537 Email Id: roshanljain@yahoo.co.uk) is appointed as Scrutinizer. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting.*

*ii. That it has been submitted that the Transferee Company has 2228 Unsecured Creditors. The list of Unsecured Creditors by an independent Chartered Accountant has been placed at Annexure A-14 of the Application. The* *meeting of the Secured Creditors is scheduled to be held on 20.10.2021, at 12:30 through video conferencing. Publication of the notice of the proposed meeting will be made in the "Business Standard" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition). The notices in this regard shall be sent by Courier or Registered Post or Speed Post or email, addressed to each of the creditor of the Transferee Company, at their last known address or email addresses as per its records. The notice shall be issued with clear 30 days prior to the date of the meeting. <u>The Quorum for the meeting is fixed at 222 unsecured creditors. If the quorum is not complete at the time of the meeting, it shall adjourn the meeting by 30 minutes, and the creditors present but not less than 50 Creditors after 30 minutes shall be deemed to constitute the quorum for the said meeting.</u> The meeting will be chaired by Mr. Santosh Kumar Sahewala (IBBI Registration No. IBBI/IPA-001/1P-P00797/2017-18/11364 Email: sahewal@ssr.net.in) or in his absence by Ms. Santosh Goel (IBBI Registration No. IBBI/IPA-001/1P-P00823/2017-18/11399, Email id, casantoshgoel@gmail.com) and Mr. Roshan Lal Jain (IBBI Registration No. IBBI/IPA-001/1P-P00966/2017-18/11587 Email Id: roshanljain@yahoo.co.uk) is appointed as Scrutinizer. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting.*

*iii. The Chairman's Report shall be filed before this Tribunal within 7 days from the conclusion of this meeting."*

*(Emphasis Supplied)*

5. Learned Counsel for the Appellant Companies submitted that NCLT went beyond the provisions of Section 103(3) of the Act by directing that at least 440 shareholders shall constitute the Quorum in case of Shareholders Meeting and at least 50 Unsecured Creditors shall constitute the Quorum in

case of Unsecured Creditors Meeting. It is the case of the Appellants that Section 230(6) of the Act provides for a majority of persons representing 3/4th in value of the Creditors or Shareholders, as the case may be, voting is required to ratify in comprise or arrangements. It is also submitted that Section 230(6) of the Act does not determinate the number of Equity Shareholders or the number of Unsecured Creditors who should constitute a 'Quorum'. Learned Counsel argued that consent for the Scheme of Amalgamation and participating in the Meeting are two separate things and participation of less than 440 equity shareholders or 50 Unsecured Creditors in the adjourned Virtual Meeting cannot be deemed to constitute a lack of consent of Shareholders or Creditors for the Amalgamation. The number of Creditors present at the meeting can always give consent and approval of the Scheme of Amalgamation and if the approval satisfies the conditions of Section 230(6) of the Act, it is sufficient compliance of the provisions of the Companies Act, 2013. It was also strenuously argued that NCLT failed to appreciate that a determinate number of Equity Shareholders/Unsecured Creditors is not required to constitute a Quorum of Virtual Meeting of Equity Shareholders/Unsecured Creditors for the purpose of Amalgamation of two companies under Section 230-232 of the Act.

6. For proper adjudication of the matter, we find it relevant at this juncture to reproduce Section 103 of the Act which reads as follows:

> *"103. Quorum for meetings. –*
> *(1) Unless the articles of the company provide for a larger number, -*
>
> *(a) in case of a public company, -*

*(i) five members personally present if the number of members as on the date of meeting is not more than one thousand;*

*(ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;*

*(iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;*

*(b) in the case of a private company, two members personally present, shall be the quorum for a meeting of the company.*

*(2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company -*

*(a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or*

*(b) the meeting, if called by requisitionists under section 100, shall stand cancelled:*

*Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.*

*(3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum."*

*(Emphasis Supplied)*

From the aforenoted Section, it is clear that 103(3) provides for 'if the adjourned meeting does not have required the Quorum, within half an hour from the time appointed for holding the meeting, *the members present shall be the Quorum'*.

7. A perusal of Paragraph 15 of the Impugned Order does not anywhere specify under which provision the number 440 Shareholders and 50 Unsecured Creditors respectively was decided to determine the Quorum. This 10% of the Shareholders determined by NCLT, to constitute the Quorum, is not provided for under Section 230-232 of the Act or under the Companies (Compromises, Arrangements and Amalgamation), Rules, 2016. In the absence of such specification, specified number of shareholders or specified number of unsecured creditors cannot be mandated to constitute a revised Quorum. We also find force in the contention of the Learned Counsel for the Appellants Company specially, keeping in view the provisions of Section 230-232 of the Act and the Rules thereof, that voting on the Scheme of Amalgamation can happen either in the Virtual Meeting or by Postal Ballet or by E-Voting and therefore the number of Shareholders or Creditors present at the Virtual Meeting is not determinative of their consent or lack thereof. The number of Creditors present at the meeting can always give consent and approval of the Scheme of Amalgamation and if the approvals satisfies the conditions of Section 230 (6) of the Act, if is sufficient compliance of the provisions of Companies Act, 2013. The three-fourths majority required for the purpose of amalgamation of two companies would come in via e-voting because the Transferee Company is a listed company and has to mandatorily provide e-voting facility to all its shareholders in terms of Regulation 44 of

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Regulation 44 to the extent it is relevant, reads as follows:

> *"(1) The listed entity shall provide the facility of remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.*
>
> *(2) The e-voting facility to be provided to shareholders in terms of sub-regulation (1), shall be provided in compliance with the conditions specified under the Companies (Management and Administration), Rules, 2014, or amendments made thereto.*
>
> *(3) The listed entity shall submit to the stock exchange, within two working days of conclusion of its General Meeting, details regarding the voting results in the format specified by the Board."*

8. Having regard to the fact that the Scheme of Amalgamation is already approved with most of the stakeholders assenting, with Equity Shareholders representing 100% in number and 100% in value of Appellant 1/Company who had given their consent on affidavit; the Secured Creditors of Appellant 1/Company representing 100% in number and 100% in value have given their consent and no objection to the Scheme in Affidavit, the Appellant Companies had sought for direction to dispense with the meeting before the NCLT. The direction in the Impugned Order with respect to fixing of the Quorum by 10 % of Shareholders i.e. 440 and minimum of 50 Unsecured Creditors is hereby set aside. The meetings may be conducted within 8 weeks from the date of this Order.

9. This Appeal i.e. Company Appeal (AT) No. 135 is allowed with all the aforenoted directions.

10. Company Appeal (AT) No. 134 of 2021 has been preferred against the Impugned Order dated 20.10.2021 in IA-22/2021 in C.A. (CAA)-66/ND/2021 passed by NCLT, New Delhi Bench (Court-II), seeking rectification/modification of the Order dated 31.08.2021.

11. For reasons mentioned in Company Appeal (AT) No. 135 of 2021, this Appeal i.e. Company Appeal (AT) No. 134 of 2021 is dismissed as infructuous.

**[Justice Anant Bijay Singh]**
**Member (Judicial)**

**[Ms. Shreesha Merla]**
**Member (Technical)**

***New Delhi***
***23rd December, 2021***
*Basant*

# Annexure – III A

MINDA I CONNECT PVT. LTD

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MINDA I CONNECT PRIVATE LIMITED AT ITS MEETING HELD ON FEBRUARY 06, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

1.1. The Board of Directors ('Board') of Minda I Connect Private Limited ('Transferor Company') at its meeting held on February 06, 2020 has approved the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Minda Industries Limited (**"Transferee Company"**) and their respective Shareholders and Creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**")

1.2. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and in particular laying out the share entitlement ratio and specifying any special valuation difficulties and the same has to be appended with the notice of the meeting of shareholders and creditors. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.

1.3. Under the Scheme, it is proposed to merge the Transferor Company with Transferee Company and issue of consideration thereof, as per the share exchange ratio determined in the valuation report dated February 06, 2021 issued by SSPA & CO., (Valuation Report) and fairness opinion report dated February 06, 2020 issued by Inga Ventures Private Limited;

1.4. The following documents were, inter-alia, placed before the Board:

a) Draft Scheme, duly initialled by the Director of Transferor Company for the purpose of identification

b) Valuation Report dated February 06, 2020 describing the methodology adopted by the Valuer in arriving at the share exchange ratio;

c) Fairness Opinion dated February 06, 2020 issued by Inga Ventures Private Limited certifying fairness of the share exchange ratio as determined in the Valuation Report;

**2. VALUATION REPORT | EXCHANGE RATIO | ISSUE OF CONSIDERATION PURSUANT TO THE SCHEME**

a) Pursuant to the Clause 10.1 of Scheme, upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:

*10 (Ten) fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;*

b) The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that the share entitlement ratio is fair and reasonable.

c) No special valuation difficulties were reported.

**3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEROR COMPANY**

3.1. **Equity Shareholders (Promoter and Non-Promoter):**

a) In consideration for the amalgamation of the company with the Transferee Company, the shareholders of the Transferor Company as on record date shall receive equity shares of the Transferee Company as per share exchange ratio mentioned in the Scheme. Further, the economic interest of the shareholders of the Company will not change and they will not be prejudicially affected by the Scheme.

b) Post the Scheme become effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Company shall become the shareholders in the Transferee Company.

Minda I Connect Private Limited
Delhi

c) Post the Scheme become effective and subject to the receipt of the requisite regulatory approvals, the equity shares issued by the Transferee Company as consideration for the proposed Scheme shall be listed on BSE Limited and the National Stock Exchange of India Limited.

d) There will be no adverse effect of the Scheme on the equity shareholders, promoters and non- promoter shareholders of the Transferor Company.

3.2. **Key Managerial Personnel (KMP)**

The KMPs, if any, of the Company shall become the employee of the Transferee Company on effectiveness of the Scheme. As on the adoption of this report there is no KMP in the Company.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

## 4. ADOPTION OF THE REPORT BY THE BOARD

The Board has adopted this report after noting and considering the information set forth in this report.

**FOR MINDA I CONNECT PRIVATE LIMITED**

Minda IConnect Private Limited
Delhi

**SANJAY JAIN**
**DIRECTOR**
**DIN: 03364405**

# Annexure – III B

Minda Industries Ltd.

UNO MINDA
THINK. INSPIRE. FLOURISH

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MINDA INDUSTRIES LIMITED AT ITS MEETING HELD ON FEBRUARY 06, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

1.1. The Board of Directors ('Board') of Minda Industries Limited ('Transferee Company') at its meeting held on February 06, 2020 has approved the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Minda Industries Limited (**"Transferee Company"**) and their respective Shareholders and Creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**"Act"**)

1.2. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and in particular laying out the share entitlement ratio and specifying any special valuation difficulties and the same has to be appended with the notice of the meeting of shareholders and creditors. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.

1.3. Under the Scheme, it is proposed to merge the Transferor Company with Transferee Company and issue of consideration thereof, as per the share exchange ratio determined in the valuation report dated February 06, 2021 issued by SSPA & CO., (Valuation Report) and fairness opinion report dated February 06, 2020 issued by Inga Ventures Private Limited;

Minda Industries Limited
Delhi

**MINDA INDUSTRIES LTD. (Corporate)** Village Nawada Fatehpur, P.O. Sikanderpur Badda, Manesar, Distt. Gurgaon, Haryana - 122004, INDIA. T: +91 124 2290427/28, 2290693/94/96 Fax: +91 124 2290676/95, Email - info@mindagroup.com, www.unominda.com, Regd. Office : B-64/1, Wazirpur Industrial Area, Delhi-110052, CIN : L74899DL1992PLC050333

1.4. The following documents were, inter-alia, placed before the Board:

a) Draft Scheme, duly initialed by the Company Secretary of Transferee Company for the purpose of identification

b) Valuation Report dated February 06, 2020 describing the methodology adopted by the Valuer in arriving at the share exchange ratio;

c) Fairness Opinion dated February 06, 2020 issued by Inga Ventures Private Limited certifying fairness of the share exchange ratio as determined in the Valuation Report;

d) Certificate dated February 06, 2020 obtained from the statutory auditors of the company viz. BSR & Co. LLP, Chartered Accountants, on the accounting treatment prescribed in the Scheme; and

e) Report of the Audit Committee of the Company dated February 06, 2020.

**2. VALUATION REPORT | EXCHANGE RATIO | ISSUE OF CONSIDERATION PURSUANT TO THE SCHEME**

a) Pursuant to the Clause 10.1 of Scheme, upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:

*10 (Ten) fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;*

b) The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that the share entitlement ratio is fair and reasonable.

c) No special valuation difficulties were reported.

Minda Industries Limited
Delhi

## 3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY

3.1. **Equity Shareholders (Promoter and Non-Promoter):**

In consideration for the amalgamation of the company with the Transferee Company, the shareholders of the Transferor Company as on record date shall receive equity shares of the Transferee Company as per share exchange ratio mentioned in the Scheme. Further, the rights and interests of the shareholders of the Company will not be prejudicially affected by the Scheme and there will be no change in economic interest of the shareholders of the Company, pre and post Scheme.

Post the Scheme become effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Company shall become the shareholders in the Transferee Company.

Post the Scheme become effective and subject to the receipt of the requisite regulatory approvals, the equity shares issued by the Transferee Company as consideration for the proposed Scheme shall be listed on BSE Limited and the National Stock Exchange of India Limited.

3.2. **Key Managerial Personnel**

The KMPs, if any, of the Transferor Company shall become the employee of the Transferee Company on effectiveness of the Scheme. As on the adoption of this report there is no KMP in the Company.

Mr. Nirmal K Minda, Chairman & Managing Director of the Company is also the director and shareholder of Transferor Company. He holds as on the date of this report 9,900 equity shares of the Transferor Company.

Further none of the KMPs of the Transferee Company, except Mr. Nirmal K Minda as stated above, have any interest in the Scheme. There will be no impact of the Scheme on the KMPs of the Company.

Minda Industries Limited
Delhi

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

## 4. ADOPTION OF THE REPORT BY THE BOARD

The Board has adopted this report after noting and considering the information set forth in this report.

**FOR MINDA INDUSTRIES LIMITED**

**TARUN KUMAR SRIVASTAVA**
**Company Secretary & Compliance Officer**
**Membership No.: ACS 11994**

# Annexure – III C

MINDA I CONNECT PVT. LTD

**ADDENDUM TO THE REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MINDA I CONNECT PRIVATE LIMITED AT ITS MEETING HELD ON FEBRUARY 06, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

1.1. The Board of Directors ('Board') of Minda I Connect Private Limited ('Transferor Company') at its meeting held on February 06, 2020 has approved the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Minda Industries Limited (**"Transferee Company"**) and their respective Shareholders and Creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**").

1.2. The Board also adopted on February 06, 2020 a report of Board of Directors in terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), explaining the effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and in particular laying out the share entitlement ratio and specifying any special valuation difficulties and the same has to be appended with the notice of the meeting of shareholders and creditors ("Original Report").

1.3. During the pendency of the said second motion application, the Transferee Company has made bonus issue of equity shares to its shareholders in the proportion of 1:1 i.e. 1 New Equity Share for every 1 existing Equity Share held by shareholders of Transferee Company. This necessitated the equivalent adjustment/modification in the exchange ratio mentioned in the Scheme.

1.4. The Board considered the addendum dated September 23, 2022 issued by the Valuer M/s. SSPA & Company to their valuation report dated February 06, 2020 and approved the revised share exchange ratio. Accordingly, the share exchange ratio mentioned in the para 2(a) of the Original Report be substituted as under:

**MINDA I Connect Pvt. Ltd.**
**Regd. Office: B-64/1 WAZIRPUR, INDUSTRIAL AREA DELHI New Delhi DL 110052; CIN: U35900DL2014PTC272202; Email id: csmipl@mindagroup.com**

Pursuant to the Clause 10.1 of Scheme, upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:

> *20 (Twenty) fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;*

1.5. The equity shareholders (promoter and non-promoter) of Transferor Company, subject to approval of the modification of the Scheme, shall receive equity shares of the Transferee Company as per the share amended share exchange ratio.

1.6. Save as above, all other aspects covered under the Original report remain unchanged.

## 2. ADOPTION OF THE REPORT BY THE BOARD

The Board has adopted this report after noting and considering the information set forth in this report.

**For Minda I Connect Private Limited**

Delhi

**Sanjay Jain**
**Director**
**DIN: 03364405**
**Date: September 26, 2022**

# Annexure – III D

**Uno Minda Limited**
**(Formerly known as Minda Industries Ltd.)**

UNO MINDA
DRIVING THE NEW

**ADDENDUM TO THE REPORT ADOPTED BY THE BOARD OF DIRECTORS OF UNO MINDA LIMITED (FORMERLY KNOWN AS MINDA INDUSTRIES LIMITED) AT ITS MEETING HELD ON FEBRUARY 06, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

## 1. BACKGROUND

1.1. The Board of Directors ('Board') of Uno Minda Limited ('Transferee Company') at its meeting held on February 06, 2020 has approved the Scheme of Amalgamation of Minda I Connect Private Limited (**"Transferor Company"**) with Uno Minda Limited (formerly known as Minda Industries Limited) (**"Transferee Company"**) and their respective Shareholders and Creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**")

1.2. The Board also adopted on February 06, 2020 a report of Board of Directors in terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), explaining the effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and in particular laying out the share entitlement ratio and specifying any special valuation difficulties and the same has to be appended with the notice of the meeting of shareholders and creditors ("Original Report").

1.3. During the pendency of the said second motion application, the Transferee Company has made bonus issue of equity shares to its shareholders in the proportion of 1:1 i.e. 1 New Equity Share for every 1 existing Equity Share held by shareholders of Transferee Company. This necessitated the equivalent adjustment/modification in the exchange ratio mentioned in the Scheme.

1.4. The Board considered the addendum dated September 23, 2022 issued by the Valuer M/s. SSPA & Company to their valuation report dated February 06, 2020 and approved the revised share exchange ratio. Accordingly, the share exchange ratio mentioned in the para 2(a) of the Original Report be substituted as under: Srivastava

Uno Minda Limited Delhi

UNO MINDA LTD. (Formerly known as MINDA INDUSTRIES LTD.)
Regd. Office: B-64/1, Wazirpur Industrial Area, Delhi-110052, CIN : L74899DL1992PLC050333
Corporate office: Village Nawada Fatehpur, P.O. Sikanderpur Badda, Manesar, Distt. Gurugram, Haryana - 122004, INDIA
T: +91 124 2290427/28, 2290693/94/96 Fax: +91 124 2290676/95, Email - info@mindagroup.com, www.unominda.com

Pursuant to the Clause 10.1 of Scheme, upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Member as on the Record Date, issue and allot securities to such Eligible Member, in the following ratio:

> *20 (Twenty) fully paid equity share of INR 2(Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company held by the said Eligible Member;*

1.5. The equity shareholders (promoter and non-promoter) of Transferor Company, subject to approval of the modification of the Scheme, shall receive equity shares of the Transferee Company as per the share amended share exchange ratio.

1.6. Save as above, all other aspects covered under the Original report remain unchanged.

## 2. ADOPTION OF THE REPORT BY THE BOARD

The Board has adopted this report after noting and considering the information set forth in this report.

**For Uno Minda Limited**

Srivastava

Uno Minda Limited
Delhi

**Tarun Kumar Srivastava**
**Company Secretary & Compliance Officer**
**Membership No.: ACS 11994**
**Date: September 26, 2022**

# Annexure – IV A

**Minda I connect Private Limited**
**CIN :U35900DL2014PTC272202**
**Unaudited Balance Sheet as at 31 Dec, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | Particulars | As at Saturday, December 31, 2022 | As at Thursday, March 31, 2022 |
|---|---|---|---|
| | **ASSETS** | | |
| 1 | **Non-current assets** | | |
| (a) | Property, plant and equipment | 53,826.18 | 42,477.04 |
| (b) | Intangible assets | 2,130.21 | 4,064.23 |
| (c) | Financial assets | | |
| | Non current financial assets | 8,950.00 | 4,950.00 |
| (d) | Deferred tax assets (net) | 2,151.17 | 2,151.17 |
| | **Total non-current assets** | 67,057.56 | 53,642.44 |
| 2 | **Current assets** | | |
| (a) | Inventories | 151,787.51 | 93,203.43 |
| (b) | Financial assets | | |
| | (i) Trade receivables | 896,985.93 | 931,496.05 |
| | (ii) Cash and cash equivalents | 109,889.72 | 44,156.64 |
| | (iii) Loans | - | - |
| | (iv) Other Financial Asset | 442.97 | 442.97 |
| (c) | Current Tax Asset (Net) | 46,175.73 | 36,548.48 |
| (d) | Other current assets | 45,764.54 | 66,958.27 |
| | **Total current assets** | 1,251,050.40 | 1,172,805.84 |
| | **Total assets** | 1,318,088.97 | 1,226,449.28 |
| 3 | **EQUITY AND LIABILITIES** | | |
| | **Equity** | | |
| | Equity share capital | 733,784.10 | 733,784.10 |
| | Other equity | (2,021,386.22) | (2,112,078.78) |
| | **Total equity** | (1,287,602.12) | (1,378,294.68) |
| | **Liabilities** | | |
| 4 | **Non-current liabilities** | | |
| (a) | Financial liabilities | | |
| | (i) Borrowings | 767,828.88 | 723,657.92 |
| (b) | Provisions | 4,250.06 | 5,881.09 |
| | **Total non-current liabilities** | 772,078.94 | 729,539.01 |
| 5 | **Current liabilities** | | |
| (a) | Financial liabilities | | |
| | (i) Borrowings | 197,499.33 | 195,319.79 |
| | (ii) Trade payables | | |
| | A) Total outstanding of micro enterprises and small enterprises, and | - | - |
| | B) Total outstanding dues of creditors other than micro and small enterprises | 652,177.81 | 910,613.51 |
| | (iii) Other financial Liability | 56,502.44 | 26,588.30 |
| (b) | Other current liabilities | 927,225.04 | 741,774.79 |
| (c) | Provisions | 216.83 | 909.56 |
| | **Total current liabilities** | 1,833,621.15 | 1,875,205.95 |
| | **Total equity and liabilities** | 1,318,088.97 | 1,226,449.28 |

For AJH & Co
Chartered Accountants
Firm Registration No. [illegible]

Ajay Jain
Partner Membership No. [illegible]

Place: Gurugram
Date: 07th April 2023
UDIN: 23084096BGWMRX7657

For and on behalf of the Board of Directors of
Minda I connect Private Limited

For Minda I Connect Private Limited

Sanjay Jain
Director
DIN-03304405

Director

**Minda I connect Private Limited**
**CIN :U35900DL2014PTC272202**
**Unaudited Statement of Profit and Loss for the period ended 31 Dec, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | Particulars | | Period ended Saturday, December 31, 2022 | Year ended Thursday, March 31, 2022 |
|---|---|---|---|---|
| | **Income** | | | |
| I | Revenue from operations | | 3,953,990.24 | 3,114,803.58 |
| II | Other income | | 700.42 | 196,292.16 |
| III | **Total income( I+II)** | | 3,954,690.66 | 3,311,095.74 |
| IV | **Expenses** | | | |
| | (a) Purchase of Stock-in-Trade | | 3,458,463.57 | 2,611,734.21 |
| | (b) Change in Inventory of Stock-in-Trade | | (78,143.02) | 13,138.07 |
| | (c) Employee benefit expenses | | 143,990.89 | 123,418.12 |
| | (d) Finance costs | | 62,778.44 | 78,051.51 |
| | (e) Depreciation and amortization | | 15,852.20 | 29,064.30 |
| | (f) Other expenses | | 261,056.03 | 530,180.02 |
| | **Total expenses** | | 3,863,998.10 | 3,385,586.21 |
| V | **Profit for the period before tax( III-IV)** | | 90,692.56 | (74,490.48) |
| VI | **Tax expense** | | | |
| | Current tax | | - | - |
| | Tax adjustment earlier years | | - | - |
| | Deferred tax charge / (credit) | | - | - |
| | **Total Tax Expense** | | - | - |
| VII | **Profit for the period after tax (V-VI)** | | 90,692.56 | (74,490.48) |
| VIII | **Other comprehensive income for the period** | | | |
| | **Items that will not be subsequently reclassified to profit or loss** | | - | (2,040.22) |
| | -Re-measurement gains/ (losses) on defined benefit plans | | - | (2,040.22) |
| | -Income tax effect on Re-measurement gains/ (losses) on defined benefit plans | | - | - |
| IX | **Total comprehensive income for the period(VII+VIII)** | | 90,692.56 | (76,530.70) |
| X | Earnings per equity share [nominal value of share ₹ 10 (Previous year ₹ 10)] Basic and Diluted | | 1.24 | (1.05) |

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No.:005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 084096

Place : Gurugram
Date: 07th April 2023
UDIN: 23084096BGWMRX7657

For and on behalf of the Board of Directors of
Minda I connect Private Limited

For Minda I Connect Private Limited

Sanjay Jain
Director
DIN-03364405

Director

Minda I connect Private Limited
CIN :U35900DL2014PTC272202
Unaudited Cash Flow Statement for the period ended 31 Dec, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

| | Particulars | Period ended 31-Dec-22 | Year ended 31-Mar-22 |
|---|---|---|---|
| A. | **Cash flows from operating activities :** | | |
| | Profit before tax | 90,692.56 | (74,490.48) |
| | **Adjustments to reconcile net profit/loss to net cash provided by operating activities:** | | |
| | Depreciation and amortisation | 15,852.20 | 29,064.30 |
| | Fixed asset written off | - | 21,761.16 |
| | Finance Costs | 62,778.44 | 78,051.51 |
| | Interest income | - | (485.55) |
| | Liabilities / provisions no longer required written back | (219.06) | (36,974.79) |
| | Unrealised gain/ (loss) on Foreign currency fluctuations (net) | (481.36) | 565.59 |
| | Diminution in the value of inventory (loss) | 19,578.94 | 78,337.31 |
| | Doubtful trade and other receivables provided for | 12,464.03 | - |
| | Doubtful trade and other receivables, loans and advances written off | 250.05 | 101,768.09 |
| | Profit on sale of fixed assets | - | - |
| | Operating profit before working capital changes | 200,915.81 | 198,217.15 |
| | **Operating profit/(loss) before net change in assets and liabilities** | | |
| | (Increase )/Decrease in inventories | (78,143.02) | (143,536.56) |
| | (Increase)/ decrease in trade and other receivables | 21,792.03 | 175,084.70 |
| | (Increase)/ decrease in other financial asset | - | 9,797.35 |
| | Increase in other non-current financial assets | (4,000.00) | 8,715.05 |
| | (Increase) in other current assets and current loans | 21,193.73 | 20,283.31 |
| | Increase in trade payables | (257,735.58) | (1,017,533.83) |
| | Increase/(decrease) in other current liabilities | 185,669.31 | 509,452.44 |
| | Increase/(decrease) in short-term provisions | (692.73) | (2,655.54) |
| | Increase/(decrease) in provisions | (2,323.76) | (9,138.64) |
| | Increase/(decrease) in other finance liability | 29,914.14 | (146,412.43) |
| | | (84,325.88) | (594,944.16) |
| | **Cash used in operations** | 116,589.93 | (396,727.01) |
| | Income tax (paid)/refund received (net) | (9,627.26) | 36,468.63 |
| | **Net Cash used in operating activities (A)** | 106,962.68 | (360,258.38) |
| B. | Cash flows from investing activities | | |
| | Purchase of fixed assets | (24,793.65) | (4,258.50) |
| | Proceeds from sale of fixed assets | - | 4,648.14 |
| | Interest received on fixed deposits | - | 42.58 |
| | **Net cash generated from investing activities (B)** | (24,793.65) | 432.22 |
| C. | Cash flows from financing activities | | |
| | Proceeds from/ (repayment of) short term borrowings | 2,179.54 | (98,538.61) |
| | Proceeds from/(Repayment) of long term borrowings | 44,162.96 | 54,224.16 |
| | Interest and other finance charges paid on borrowings | (62,778.44) | (78,051.51) |
| | Payments for the interest portion of the lease liability | - | - |
| | Payment of principal portion of the lease liability | - | - |
| | **Net cash used in financing activities (C)** | (16,435.94) | (122,365.96) |
| | Net increase/ (decrease) in cash and cash equivalents(A+B+C) | 65,733.08 | (482,192.17) |
| | Cash and cash equivalents as at opening | 44,156.64 | 526,348.76 |
| | Cash and cash equivalents as at closing | 109,889.72 | 44,156.64 |
| | Cash in hand | - | - |
| | Balances with banks | | |
| | - on current accounts | 101,850.21 | 36,117.13 |
| | - on deposit accounts | 8,039.51 | 8,039.51 |
| | Cash and cash equivalents at the end of the period | 109,889.72 | 44,156.64 |

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

AJH & CO.
FRN No.
005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 084096
Place : Gurugram
Date: 07th April 2023
UDIN: 23084096BGWMRX7857

For and on behalf of the Board of Directors of
Minda I Connect Private Limited

For Minda I Connect Private Limited

Sanjay Jain
Director
DIN-03364405

Director

A J H & CO
CHARTERED ACCOUNTANTS

Gurgaon: #125, Spaze I-tech Park
Tower B3, Sec 49, Sohna Road
T: 91-124-4115084

**Limited Review Report to the Board of Directors of M/s Minda I Connect Private Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **M/s Minda I Connect Private Limited** ("the company") for the period ended on 31st December 2022.

2. This statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors at their meeting, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act,2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information performed by the Independent Auditor of the Entity"*, issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

For AJH & CO.
CHARTERED ACCOUNTANTS
(Registration Number: 005302N)

AJH & CO
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 084096

Place: Gurugram
Date: 07/04/2023
UDIN: 23084096BGWMRX7657

# Annexure – IV B

**UNO MINDA LIMITED**
**(Formerly known as Minda Industries Limited)**
**REGD. OFFICE : B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI-110052**
**PH: 011- 27374444, 0124- 2290427 Fax: 0124- 2290676**
**CIN: L74899DL1992PLC050333**
**Website: www.unominda.com**

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022**

*(Rs. in Crore except per share data)*

| | PARTICULARS | Quarter ended | | | Nine months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | 31-Dec-22 | 30-Sep-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 | 31-Mar-22 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | **Income** | | | | | | |
| | (a) Revenue from operations | 1,669 39 | 1,807 01 | 1,333 70 | 4,995 07 | 3,518 96 | 4,959 73 |
| | (b) Other income | 22 87 | 65 29 | 20 81 | 102 53 | 65 68 | 79 92 |
| | **Total income** | **1,692.26** | **1,872.30** | **1,354.51** | **5,097.60** | **3,584.64** | **5,039.65** |
| 2 | **Expenses** | | | | | | |
| | (a) Cost of raw materials and components consumed | 887 77 | 1,047 33 | 749 63 | 2,771 47 | 1,976 13 | 2,639 34 |
| | (b) Purchases of stock-in trade | 269 35 | 200 60 | 176 03 | 669 96 | 411 04 | 685 52 |
| | (c) Changes in inventories of finished goods, stock-in trade and work-in-progress | (4942) | (24 06) | (23 71) | (83 40) | (50.03) | (2041) |
| | (d) Employee benefits expense | 192 52 | 194 38 | 157 35 | 562 46 | 464 05 | 633 47 |
| | (e) Finance cost | 4 80 | 9 73 | 5 78 | 23 51 | 27 75 | 33 94 |
| | (f) Depreciation and amortisation expense | 54 18 | 50 76 | 44 44 | 152 41 | 134 82 | 190 52 |
| | (g) Other expenses | 200 39 | 202 84 | 158 06 | 579 56 | 436 59 | 590 01 |
| | **Total expenses** | **1,559.59** | **1,681.58** | **1,267.58** | **4,675.97** | **3,400.35** | **4,752.39** |
| 3 | **Profit for the period before exceptional items and tax (1-2)** | **132.67** | **190.72** | **86.93** | **421.63** | **184.29** | **287.26** |
| 4 | Exceptional items {refer note no 11} | - | - | - | - | - | (24 98) |
| 5 | **Profit for the period before taxes (3+4)** | **132.67** | **190.72** | **86.93** | **421.63** | **184.29** | **262.28** |
| 6 | **Income tax expense** | | | | | | |
| | a) Current Tax | 26 57 | 32 95 | 11 54 | 84 03 | 32 31 | 67 72 |
| | b) Deferred Tax (credit)/charge | 0 36 | (2 54) | 9 63 | (12 44) | 13 43 | (1 47) |
| | **Total tax expense** | **26.93** | **30.41** | **21.17** | **71.59** | **45.74** | **66.25** |
| 7 | **Net profit for the period (5-6)** | **105.74** | **160.31** | **65.76** | **350.04** | **138.55** | **196.03** |
| 8 | **Other comprehensive income/(loss) for the period** | | | | | | |
| | Items that will not be reclassified to profit and loss in subsequent period | | | | | | |
| | (i) Remeasurement gain/ (loss) on defined benefit obligation | (0 35) | (1 31) | (1 14) | (1 97) | (3 41) | (1 23) |
| | (ii) Fair value change of equity instrument valued through other comprehensive income | 40 99 | 20 33 | - | 51 40 | - | - |
| | (ii) Income-tax relating to items that will not be reclassified to profit and loss in subsequent period | (4 67) | (1 92) | 0 40 | (5 38) | 1 19 | 0 43 |
| | **Other comprehensive income/(loss) for the period net of tax** | **35.97** | **17.10** | **(0.74)** | **44.05** | **(2.22)** | **(0.80)** |
| 9 | **Total comprehensive income for the period (7+8)** | **141.71** | **177.41** | **65.02** | **394.09** | **136.33** | **195.23** |
| 10 | Paid up equity share capital (Face value Rs. 2 per share) | - | - | - | - | - | 57 12 |
| 11 | Other Equity (excluding revaluation reserve shown in Balance sheet) | - | - | - | - | - | 2,598 98 |
| 12 | Earnings per share (Face value Rs. 2 each) (not annualised) {refer note no 12} | | | | | | |
| | a) Basic (in Rs ) | 1 85 | 2 80 | 1 21 | 6 12 | 2 46 | 3 48 |
| | b) Diluted (in Rs ) | 1 84 | 2 79 | 1 20 | 6 08 | 2 45 | 3 47 |

Uno Minda Limited
Delhi

**Notes on unaudited standalone financial results:**

1) These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

2) The above unaudited standalone financial results for the quarter and nine month ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 08, 2023. These results have been subjected to limited review by the statutory auditors of the Company under regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The auditors have expressed an unmodified conclusion on the above results.

3) The Company is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories and ancillary services. The Company' activities falls within single primary operating segment and accordingly, disclosures as per Ind AS 108 - Operating Segments are not applicable on the Company.

4) During the quarter, the Company has allotted 3,65,426 equity shares upon exercise of stock options by ESOP holders under UNO MINDA Employee Stock Option Scheme 2019.

5) During the quarter, the Company has redeemed outstanding 9,660 no. of 0.01% Non-Convertible Redeemable Preference Shares (NCRPS) on December 21, 2022 at the redemption prices of Rs. 135.23 per equity share based on redemption option exercised by preference shareholders.

6) During the quarter, the following investments have been made by the Company:

   a) 43,75,800 equity shares of Uno Minda Tachi-S Seating Private Limited, Subsidiary Company having face value of Rs. 10 each amounting to Rs. 4,37,58,000 for 51% stake.

   b) 1,53,00,000 equity shares in Minda Katolec Electronics Services Private Limited, a subsidiary company, at face value of Rs. 10 each aggregating to Rs 15,30,00,000.

7) The Board of directors of the Company in its meeting held on February 06, 2020, accorded its consent for the scheme of amalgamation of Minda I Connect Private Limited (Transferor Company) with Uno Minda Limited (formerly known as Minda Industries Limited) (Transferee Company) subject to necessary approvals of authorities and the National Company Law Tribunal (NCLT), New Delhi. The requisite accounting will be done post receipt of NCLT approval.

Uno Minda Limited
Delhi

8) Pursuant to Section 115BAA of Income Tax Act, 1961, the Company has opted for lower tax rates beginning current financial year. Consequent to this, the Company has calculated tax for the current quarter and re-measured its deferred tax liability basis rates prescribed in the section and credited consequential impact in the deferred taxes for the quarter ended June 30, 2022 amounting to Rs. 8.26 crores.

9) The Board of Directors of the Company in its Meeting held on May 24, 2022 , accorded it's consent for the Scheme of Arrangement among Harita Fehrer Limited ("Transferor Company"), Minda Storage Batteries Private Limited ("Demerged Company"), both Wholly Owned Subsidiaries of Uno Minda Ltd with Uno Minda Limited (formerly known as Minda Industries Limited) ("Transferee Company") and their respective shareholders and creditors, subject to necessary approvals of authorities and the Hon'ble National Company Law Tribunal (NCLT), New Delhi. The Company has filed a First Motion Application with NCLT, Delhi on September, 28, 2022. Hon'ble NCLT vide its Order pronounced on January 25, 2023 has allowed the dispensation of the meetings of the Shareholders and creditors of Transferor Company, Demerged Company and Transferee Company. As per Scheme, the effective date of arrangement shall be the last of the dates on which the copy of the order of Hon'ble National Company Law Tribunal sanctioning the scheme are filed by the Transferor Company, Demerged Company and the Transferee Company with the jurisdictional Registrar of Companies. Appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval on Scheme of Arrangement.

10) 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 the Code becomes effective.

11) Exceptional items for the year ended March 31, 2022 represents impairment of investments in joint venture company amounting to Rs. 24.98 crores.

12) The Company had allotted Equity shares as bonus shares to the existing shareholders as on record date i.e. July 08, 2022 in the ratio of 1:1 by capitalization of reserves to those shareholders who held shares as on record date i.e. July 8, 2022. Accordingly, the earning per share (basic and diluted) for the previous periods have been calculated taking impact of bonus shares.

13) The Board of Directors in their meeting held today has approved and declared the interim dividend of Rs 0.50 per equity share (nominal value of Rs 2 per share) for the financial year 2022-23.

For and on behalf of the Board of **Uno Minda Limited**
**(Formerly known as Minda Industries Limited)**

Uno Minda Limited
Delhi

Place: Gurugram, Haryana
Date: February 08, 2023

(NIRMAL K. MINDA)
Chairman & Managing Director

**S.R. BATLIBOI & CO. LLP**
Chartered Accountants

4th Floor, Office 405
World Mark – 2, Asset No. 8
IGI Airport Hospitality District, Aerocity
New Delhi – 110 037, India
Tel: +91 11 4681 9500

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to**
**The Board of Directors**
**Uno Minda Limited (formerly known as Minda Industries Limited)**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Uno Minda Limited (formerly known as Minda Industries Limited) (the "Company") which includes 5 partnership firms for the quarter ended December 31, 2022 and year to date from April 01, 2022 to December 31, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above and based on the consideration of the review reports of other auditors of the partnership firms referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Co. LLP, a Limited Liability Partnership with LLP Identity No. AAB-4294
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

5. The accompanying Statement of quarterly and year to date interim standalone financial results includes the Company's share of net profit of Rs. 12.50 crores and Rs. 33.01 crores and total comprehensive income of Rs. 12.50 crores and Rs. 33.01 crores for the quarter ended and for the period ended from April 01, 2022 to December 31, 2022 respectively in respect of 5 partnership firms, whose financial results as considered in the Statement which have been reviewed by other auditors.

   The reports of such other auditors on interim financial results of these partnership firms have been furnished to us, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these partnership firms, is based solely on the reports of such other auditors. Our conclusion on the Statement is not modified in respect of the above matter.

**For S.R. BATLIBOI & Co. LLP**
Chartered Accountants
**ICAI Firm registration number:** 301003E/E300005

**per Vikas Mehra**
Partner
Membership No.: 094421

UDIN: 23094421BGYFSQ3244

Place; New Delhi
Date: February 08, 2023

**UNO MINDA LIMITED**
**(Formerly known as Minda Industries Limited)**
**REGD. OFFICE : B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI-110052**
**PH: 011- 27374444, 0124- 2290427 Fax: 0124- 2290676**
**CIN: L74899DL1992PLC050333**
**Website: www.unominda.com**

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022**

*(Rs. In Crore except per share data)*

| | PARTICULARS | Quarter ended | | | Nine months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | 31-Dec-22 | 30-Sep-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 | 31-Mar-22 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | **Income** | | | | | | |
| | (a) Revenue from operations | 2,915.49 | 2,876.84 | 2,181.38 | 8,347.52 | 5,897.92 | 8,313.00 |
| | (b) Other income | 3.97 | 16.08 | 12.53 | 29.73 | 39.73 | 62.94 |
| | **Total income** | **2,919.46** | **2,892.92** | **2,193.91** | **8,377.25** | **5,937.65** | **8,375.94** |
| 2 | **Expenses** | | | | | | |
| | (a) Cost of raw materials and components consumed | 1,544.05 | 1,592.80 | 1,198.02 | 4,563.89 | 3,193.67 | 4,347.89 |
| | (b) Purchases of stock-in trade | 346.91 | 302.66 | 255.20 | 923.98 | 620.35 | 1,005.31 |
| | (c) Changes in inventories of finished goods, stock-in trade and work-in-progress | (48.06) | (29.60) | (51.26) | (122.95) | (89.50) | (81.20) |
| | (d) Employee benefits expense | 371.23 | 364.76 | 295.35 | 1,077.01 | 874.06 | 1,206.51 |
| | (e) Finance costs | 12.58 | 19.15 | 12.67 | 48.55 | 40.05 | 62.32 |
| | (f) Depreciation and amortisation expense | 114.95 | 107.23 | 94.19 | 321.65 | 281.47 | 391.75 |
| | (g) Other expenses | 362.96 | 327.78 | 248.75 | 982.89 | 689.45 | 949.10 |
| | **Total expenses** | **2,704.62** | **2,684.78** | **2,052.92** | **7,795.02** | **5,618.35** | **7,881.68** |
| 3 | **Profit before share of profit/(loss) of associates / joint ventures and tax (1-2)** | **214.84** | **208.14** | **140.99** | **582.23** | **319.30** | **494.26** |
| 4 | Share of profit/(loss) of associates / joint ventures (net of tax) | 25.04 | 28.79 | 19.48 | 75.55 | 35.68 | 65.16 |
| 5 | **Profit before tax for the period (3+4)** | **239.88** | **236.93** | **160.47** | **657.78** | **354.98** | **559.42** |
| 6 | **Income tax expense** | | | | | | |
| a) | Current tax | 67.20 | 55.86 | 35.53 | 166.05 | 95.39 | 159.25 |
| b) | Deferred tax (credit)/charge | (1.27) | (1.28) | 6.78 | (14.44) | 3.13 | (12.47) |
| | **Total tax expense** | **65.93** | **54.58** | **42.31** | **151.61** | **98.52** | **146.78** |
| 6 | **Net profit for the period after tax (5-6)** | **173.95** | **182.35** | **118.16** | **506.17** | **256.46** | **412.64** |
| 7 | **Other comprehensive income for the Period** | | | | | | |
| (a) | Items that will not be reclassified to profit and loss in subsequent period | | | | | | |
| | (i) Remeasurement gain/ (loss) on defined benefit obligation | (0.50) | (0.59) | (1.28) | (1.52) | (3.64) | (0.11) |
| | (ii) Fair value change in equity instrument valued through other comprehensive income | 40.99 | 20.33 | - | 51.40 | 1.28 | - |
| | (iii) Income-tax relating to items that will not be reclassified to profit and loss in subsequent period | (4.64) | (2.08) | 0.44 | (5.48) | - | 0.19 |
| (b) | Items that will be reclassified to profit and loss in subsequent period | | | | | | |
| | (i) Foreign currency translation reserve | 3.69 | 1.18 | 0.09 | 13.84 | 13.46 | 23.95 |
| | (ii) Others | 2.07 | (1.21) | (1.23) | 6.53 | (4.77) | (1.70) |
| | (iii) Income-tax relating to items that will be reclassified to profit and loss in subsequent period | - | - | 0.10 | - | 0.30 | 0.09 |
| | **Other comprehensive income/(loss) for the period net of tax** | **41.61** | **17.63** | **(1.88)** | **64.77** | **6.63** | **22.42** |
| 8 | **Total comprehensive income for the Period (6+7)** | **215.56** | **199.98** | **116.28** | **570.94** | **263.09** | **435.06** |
| 9 | **Profit for the period attributable to:** | | | | | | |
| | (a) Owners of Uno Minda Limited | **161.99** | **170.12** | **101.29** | **470.90** | **211.43** | **355.80** |
| | (b) Non-controlling interests | **11.96** | **12.23** | **16.87** | **35.27** | **45.03** | **56.84** |
| 10 | **Other comprehensive income attributable to:** | | | | | | |
| | (a) Owners of Uno Minda Limited | **41.67** | **17.55** | **(1.58)** | **64.80** | **7.27** | **22.19** |
| | (b) Non-controlling interests | **(0.06)** | **0.08** | **(0.30)** | **(0.03)** | **(0.64)** | **0.23** |
| 11 | **Total comprehensive income attributable to:** | | | | | | |
| | (a) Owners of Uno Minda Limited | **203.66** | **187.67** | **99.71** | **535.70** | **218.70** | **377.99** |
| | (b) Non-controlling interests | **11.90** | **12.31** | **16.57** | **35.24** | **44.39** | **57.07** |
| 12 | Paid up equity share capital (Face value Rs. 2 per share) | | | | | | 57.12 |
| 13 | Other Equity (excluding revaluation reserve shown in Balance Sheet) | - | - | - | - | - | 3,381.33 |
| 14 | Earnings per share (Face value Rs. 2 each) (not annualised) (refer note 11) | | | | | | |
| | a) Basic (in Rs.) | 2.84 | 2.98 | 1.86 | 8.23 | 3.76 | 6.32 |
| | b) Diluted (in Rs.) | 2.83 | 2.96 | 1.85 | 8.18 | 3.75 | 6.30 |

**Notes on unaudited consolidated financial results:**

1) These consolidated financial results of the Holding Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standard) rules, 2015. The said financial results represent the results of Uno Minda Limited (formerly known as Minda Industries Limited) ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter ended December 31, 2022.

2) The above unaudited consolidated financial results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 08, 2023. These results have been subjected to limited review by the statutory auditors of the Holding Company under regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The auditors have expressed an unmodified conclusion on the above results.

3) The Group is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories and ancillary services. The Group's activities fall within single primary operating segment and accordingly, disclosures under per Ind AS 108 - Operating Segments are not applicable on the Group.

4) During the quarter, the Holding Company has allotted 3,65,426 equity shares upon exercise of stock options by ESOP holders under UNO MINDA Employee Stock Option Scheme 2019.

5) During the quarter, the Holding Company has redeemed outstanding 9,660 no. of 0.01% Non-Convertible Redeemable Preference Shares (NCRPS) on December 21, 2022 at the redemption prices of Rs. 135.23 per equity share based on redemption option exercised by preference shareholders.

6) During the quarter, the following investments have been made by the Holding Company:

   a. 43,75,800 equity shares of Uno Minda Tachi-S Seating Private Limited, Subsidiary Company having face value of Rs. 10 each amounting to Rs. 4,37,58,000 for 51% stake.

   b. 1,53,00,000 equity shares in Minda Katolec Electronics Services Private Limited, a subsidiary company, at face value of Rs. 10 each aggregating to Rs 15,30,00,000.

7) The Board of directors of the Holding Company in its meeting held on February 06, 2020, accorded its consent for the scheme of amalgamation of Minda I Connect Private Limited (Transferor Company) with Uno Minda Limited (formerly known as Minda Industries Limited) (Transferee Company) subject to necessary approvals of authorities and the National Company Law Tribunal (NCLT), New Delhi. The requisite accounting will be done post receipt of NCLT approval.

Uno Minda Limited
Delhi

8) Pursuant to Section 115BAA of Income Tax Act, 1961, the Holding Company has opted for lower tax rates beginning current financial year. Consequent to this, the Company has calculated tax for the current quarter and re-measured its deferred tax liability basis rates prescribed in the section and credited consequential impact in the deferred taxes for the quarter ended June 30, 2022 amounting to Rs. 8.26 crores.

9) The Board of Directors of the Holding Company in its Meeting held on May 24, 2022 , accorded it's consent for the Scheme of Arrangement among Harita Fehrer Limited ("Transferor Company"), Minda Storage Batteries Private Limited ("Demerged Company"), both Wholly Owned Subsidiaries of Uno Minda Ltd with Uno Minda Limited (formerly known as Minda Industries Limited) ("Transferee Company") and their respective shareholders and creditors, subject to necessary approvals of authorities and the Hon'ble National Company Law Tribunal (NCLT), New Delhi. The Holding Company has filed a First Motion Application with NCLT, Delhi on September, 28, 2022. Hon'ble NCLT vide its Order pronounced on January 25, 2023 has allowed the dispensation of the meetings of the Shareholders and creditors of Transferor Company, Demerged Company and Transferee Company. As per Scheme, the effective date of arrangement shall be the last of the dates on which the copy of the order of Hon'ble National Company Law Tribunal sanctioning the scheme are filed by the Transferor Company, Demerged Company and the Transferee Company with the jurisdictional Registrar of Companies. Appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval on Scheme of Arrangement.

10) 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 Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

11) The Holding Company had allotted Equity shares as bonus shares to the existing shareholders as on record date i.e. July 08, 2022 in the ratio of 1:1 by capitalization of reserves to those shareholders who held shares as on record date i.e. July 8, 2022. Accordingly, the earning per share (basic and diluted) for the previous periods have been calculated taking impact of bonus shares.

12) The Board of Directors of the Holding Company in their meeting held today has approved and declared the interim dividend of Rs 0.50 per equity share (nominal value of Rs 2 per share) for the financial year 2022-23.

For and on behalf of the Board of **Uno Minda Limited**
**(Formerly known as Minda Industries Limited)**

Uno Minda Limited
Delhi

Place: Gurugram, Haryana
Date: February 08, 2023

(NIRMAL K. MINDA)
Chairman & Managing Director

**S.R. BATLIBOI & CO. LLP**
**Chartered Accountants**

4th Floor, Office 405
World Mark – 2, Asset No. 8
IGI Airport Hospitality District, Aerocity
New Delhi – 110 037, India

Tel: +91 11 4681 9500

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to**
**The Board of Directors**
**Uno Minda Limited (formerly known as Minda Industries Limited)**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Uno Minda Limited (formerly known as Minda Industries Limited) (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter ended December 31, 2022 and year to date from April 01, 2022 to December 31, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors . Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as enumerated in Annexure -1.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Co. LLP, a Limited Liability Partnership with LLP Identity No. AAB-4294
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

   - 19 subsidiaries, whose unaudited interim financial results include total revenues of Rs 692.86 crores and Rs 1,930.27 crores, total net profit/(loss) after tax of Rs. 25.53 crores and Rs. 71.31 crores, total comprehensive income of Rs. 27.60 crores and Rs. 77.84 crores, for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022 respectively, as considered in the Statement which have been reviewed by their respective independent auditors.

   - 3 associates and 5 joint ventures, whose unaudited interim financial results include Group's share of net profit of Rs. 7.85 crores and Rs. 26.25 crores and Group's share of total comprehensive income of Rs. 7.85 crores and Rs. 26.28 crores for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022 respectively, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

   The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, joint ventures and associates is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

   Certain of these subsidiaries and a joint venture are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries and a joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and a joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

   - 4 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs 2.03 and Rs 10.00 crores, total net profit after tax of Rs. 3.94 crores and Rs. 5.34 crores, total comprehensive income of Rs. 3.94 crores and Rs. 5.34 crores, for the quarter ended December 31, 2022 and the period from April 01, 2022 to December 31, 2022 respectively.

   - 2 associates and 1 joint venture, whose interim financial results includes the Group's share of net profit of Rs. 0.68 crores and Rs 3.91 crores and Group's share of total comprehensive income of Rs. Rs. 0.68 crores and Rs 3.93 crores for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022 respectively.

The unaudited interim financial results and other unaudited financial information of the these subsidiaries, joint ventures and associates have not been reviewed by their auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

**For S.R. BATLIBOI & Co. LLP**
Chartered Accountants
**ICAI Firm registration number:** 301003E/E300005

**per Vikas Mehra**
Partner
Membership No.: 094421

UDIN: 23094421BGYFSR8041
Place: New Delhi
Date: February 08, 2023

S.R. BATLIBOI & CO. LLP
Chartered Accountants

**Annexure 1**

**A. List of Subsidiaries**

| Name of Company | Type | Holding Company |
|---|---|---|
| Minda Kyoraku Limited | Subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| Minda Kosei Aluminium Wheel Private Limited | Subsidiary | |
| Minda Storage Batteries Private Limited | Subsidiary | |
| YA Auto Industries (partnership firm) | Subsidiary | |
| Minda Katolec Electronics Services Private Limited | Subsidiary | |
| Mindarika Private Limited | Subsidiary | |
| Harita Fehrer Limited | Subsidiary | |
| MI Torica India Private Limited | Subsidiary | |
| MITIL Polymer Private Limited | Step down subsidiary | MI Torica India Private Limited |
| Global Mazinkert S.L. | Subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| Clarton Horn, Spain | Step down subsidiary | Global Mazinkert S.L. |
| Clarton Horn Marco SRL, Morocco | Step down subsidiary | Clarton Horn, Spain (Liquidated during the period) |
| Clarton Horn Signalkoustic GmBH, | Step down subsidiary | Clarton Horn, Spain (Under liquidation) |
| Clarton Horn S. De R.L. De C.V., Mexico | Step down subsidiary | Clarton Horn, Spain. |
| Light & Systems Technical Centre, S.L. Spain | Step down subsidiary | Global Mazinkert S.L. |
| PT Minda Asean Automotive | Subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| PT Minda Trading | Step down subsidiary | PT Minda Asean Automotive |
| Sam Global Pte Ltd. | Subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| Minda Industries Vietnam Company Limited | Step down subsidiary | Sam Global Pte Ltd. |
| Minda Korea Co Ltd | Step down subsidiary | Sam Global Pte Ltd. |
| Uno Minda Europe GmbH (formerly known as Minda Delvis GmbH) | Step down subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| Uno Minda Systems GMBH( formerly known as Delvis Products GmbH) | Step down subsidiary | Uno Minda Europe GmbH (formerly known as Minda Delvis GmbH) |
| Creat GMBH (formerly known as Delvis Solutions GmbH) | Step down subsidiary | Uno Minda Europe GmbH (formerly known as Minda Delvis GmbH) |
| Uno Minda EV systems Private Limited | Subsidiary | Uno Minda Limited (Formerly known as Minda Industries Limited) |
| Uno Minda Auto systems Private Limited | Subsidiary | |
| Uno Minda Buehler Motor Private Limited | Subsidiary | |
| Uno Minda Tachi-S Seating Private Limited | Subsidiary | |
| Samaira Engineering (Partnership Firm) | Subsidiary | |
| S.M. Auto Industries (Partnership firm) | Subsidiary | |
| Auto Component (Partnership firm) | Subsidiary | |

**B. List of Joint Ventures and Associates**

| Name of Company | Type |
|---|---|
| Minda Westport Technologies Limited | Joint Venture |
| Roki Minda Co. Private Limited | Joint Venture |
| Minda NexGenTech Limited | Associate |
| Kosei Minda Aluminium Company Private Limited | Associate |
| Yogendra Engineering (partnership firm) | Associate |
| Minda TTE DAPS Private Limited | Joint Venture |
| Minda Onkyo India Private Limited | Joint Venture |
| Denso Ten Minda India Private Limited | Joint Venture |
| Minda D-Ten India Private Limited | Joint Venture |
| Rinder Riduco, S.A.S. Columbia | Joint Venture |
| Toyoda Gosei Minda India Private Limited | Joint Venture |
| Toyoda Gosei South India Private Limited | Subsidiary of Joint Venture |
| Kosei Minda Mould Private Limited | Joint Venture |
| Minda TG Rubber Private Limited | Joint Venture |
| Tokai Rika Minda India Private Limited | Joint Venture |
| Strongsun Renewables Private Limited | Associate |
| CSE Dakshina Solar Private Limited | Associate |

# Annexure - IV C

A J H & CO
CHARTERED ACCOUNTANTS

Gurgaon: #125, Spaze I-tech Park
Tower B3, Sec 49, Sohna Road
T: 91-124-4115084

**Independent Auditor's Report**

**To the members of Minda I connect Private Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of Minda I connect Private Limited ("the Company"), which comprise the balance sheet as at 31st March, 2022 and 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 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 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 31st March, 2022, its loss 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 in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules there under, 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 opinion.

**Responsibility of Management and those charged with governance for Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows

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and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

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-A** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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2. A. As required by Section 143 (3) of the Act, we report that:

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

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

   (c) The Balance sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the cash flow statement and 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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the company with reference to these Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate report in **Annexure-B;** and

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

I. According to information and explanation given to us the company has no pending litigations.

II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

III. Requirement for transferring amounts to the Investor Education and Protection Fund by the Company is not applicable here.

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C. In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid/ provided by the company to its directors in accordance with provisions of Section 197 read with Schedule V of the Act.

For AJH & CO
Chartered Accountants
FRN: 05302N

Ajay Jain
Partner
Membership No. 084096

Place: Gurugram
Date: May 22, 2022
UDIN: 22084096AJKQKG2418

**Annexure –A**
**To the Auditor's Report**

(i) In respect of its PPE & Intangible Assets:

(a) According to the information and explanations given to us, the Company had maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment and other intangible assets.

(b) According to the information and explanations given to us, the Company has a regular program of physical verification of its property, plant and equipment by which all fixed assets are verified in a phased manner over a period of two years. In accordance with this program, certain Property, plant and equipment were verified during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, no revaluation has been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable property. Accordingly. para 3(i)(d) of the order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) In respect of its Inventories:

(a) According to the records, information and explanations provided to us, and on the basis of our examination of the records of the company, the company has physically verified the inventory and no material discrepancy noticed on such verification

(b) The company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year.

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CHARTERED ACCOUNTANTS

(iii) The company has not made investments in, provided any guarantee or security or granted any loans or advances which are characterized as loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(iv) In our opinion and according to the information and explanations provided to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security to the parties covered under Section 185 and 186 of the Companics Act. Accordingly, para 3(iv) of the order is not applicable.

(v) According to the records, information and explanations provided to us, the Company has not accepted any deposits from the public as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules made thereunder. Accordingly, paragraph 3(v) of the order is not applicable.

(vi) According to the information and explanation given to us, The Central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of any activities undertaken by the company. Accordingly, para 3(vi) of the order is not applicable.

(vii) (a) According to the information and explanation given to us, the company is regular in depositing 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 any other statutory dues to the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues that has not been deposited with appropriate authorities on account of any dispute.

(viii) According to the information and explanation given to us, there is no transaction which is not recorded in the books of account and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) Based on the audit procedure performed and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or payment of interest thereon to any lender.

(x) According to the information and explanations given to us, the company did not raise money by way of initial public offer or further public offer (including debt instruments) and has not made any preferential allotment or private placement of shares or convertible

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

debentures (fully, partially or optionally convertible) during the period. Thus, paragraph 3(x) of the order is not applicable to the company.

(xi) According to the information and explanation given to us, we report that no fraud on or by the company or whistle- blower complaints has been noticed or reported during the course of our audit. Also, no report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xii) The company is not a Nidhi company. Accordingly, paragraph 3(xii) of the report is not applicable to the company.

(xiii) The Company is a Private Company and hence provisions of Section 177 are not applicable. According to the information and explanations given to us and based on our examination of the records of the company, transaction with its related parties are in compliance with Section 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards under section 133 of the Act.

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

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable to the company.

(xvi) The company is not a "Non-Banking Finance Company" or "Core Investment Company", hence paragraph 3(xvi) of the order is not applicable to the company.

(xvii) According to the information, the company has incurred cash losses of Rs 47,46,640 in the current financial year and it has incurred cash loss of Rs. 2,80,06,588 in the immediately preceding financial year.

(xviii) There is no resignation by the statutory auditor from the company during the year ended 31st March, 2022.

(xix) Based on the audit procedures performed and information and explanations given to us, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) The provisions of Section 135 of the Companies Act, 2013 are not applicable on the company, hence paragraph 3(xx) of the order is not applicable to the company.

AJR & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

(xxi) The company does not have any consolidated financial statement; therefore paragraph 3(xxi) of the order does not apply to the company.

For AJH & CO
Chartered Accountants
FRN:005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 084096

Place: Gurugram
Date: May 22, 2022
UDIN: 22084096AJKQKG2418

**ANNEXURE – B**

**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MINDA I CONNECT PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')**

We have audited the internal financial controls over financial reporting of Minda I connect Private Limited (the 'Company') as of March 31st, 2022, 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 adequate and effective 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 Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting to these Ind AS Financial Statements.

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GURUGRAM
CHARTERED ACCOUNTANTS

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

(ii) 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

(iii) provide reasonable assurance regarding prevention or timely detection of un-authorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

For AJH & Co
Chartered Accountants
Firm 's Registration No.
005302N

AJH & Co
FRN No.
005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 084096

Place: Gurugram
Date: May 22, 2022
UDIN: 22084096AJKQKG2418

**Minda I connect Private Limited**
**CIN :U35900DL2014PTC272202**
**Balance Sheet as at 31 March, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | Particulars | Notes | As at March 31 2022 | As at March 31 2021 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| 1 | **Non-current assets** | | | |
| (a) | Property, plant and equipment | 3 | **42,477.04** | 90,435.13 |
| (b) | Intangible assets | 4 | **4,064.23** | 5,232.65 |
| (c) | Financial assets | | | |
| | Non current financial assets | 5 | **4,950.00** | 14,665.05 |
| (d) | Deferred tax assets (net) | 6 | **2,151.17** | 2,151.17 |
| | **Total non-current assets** | | **53,642.44** | 1,12,484.00 |
| 2 | **Current assets** | | | |
| (a) | Inventories | 7 | **93,203.43** | 28,004.18 |
| (b) | Financial assets | | | |
| | (i) Trade receivables | 8 | **9,31,496.05** | 12,08,368.81 |
| | (ii) Cash and cash equivalents | 9 | **44,156.64** | 5,26,348.76 |
| | (iii) Loans | 10 | - | 333.34 |
| | (iv) Other Financial Asset | 11 | **442.97** | 9,787.24 |
| (c) | Current Tax Asset (Net) | 12 | **36,548.48** | 73,017.10 |
| (d) | Other current assets | 13 | **66,958.27** | 86,908.24 |
| | **Total current assets** | | **11,72,805.84** | 19,32,767.71 |
| | **Total assets** | | **12,26,449.28** | 20,45,251.71 |
| 3 | **EQUITY AND LIABILITIES** | | | |
| | **Equity** | | | |
| | Equity share capital | 14(A) | **7,33,784.10** | 7,33,784.10 |
| | Other equity | 14(B) | **(21,12,078.78)** | (20,35,548.09) |
| | **Total equity** | | **(13,78,294.68)** | (13,01,763.99) |
| | **Liabilities** | | | |
| 4 | **Non-current liabilities** | | | |
| (a) | Financial liabilities | | | |
| | (i) Borrowings | 15 | **7,23,657.92** | 6,69,433.76 |
| (b) | Provisions | 16 | **5,881.09** | 10,323.97 |
| | **Total non-current liabilities** | | **7,29,539.01** | 6,79,757.73 |
| 5 | **Current liabilities** | | | |
| (a) | Financial liabilities | | | |
| | (i) Borrowings | 17 | **1,95,319.79** | 2,93,858.40 |
| | (ii) Trade payables | 18 | | |
| | A) Total outstanding of micro enterprises and small enterprises, and | | - | - |
| | B) Total outstanding dues of creditors other than micro and small enterprises | | **9,10,613.51** | 19,64,513.36 |
| | (iii) Other financial Liability | 19 | **26,588.30** | 1,73,000.73 |
| (b) | Other current liabilities | 20 | **7,41,774.79** | 2,32,320.38 |
| (c) | Provisions | 21 | **909.56** | 3,565.10 |
| | **Total current liabilities** | | **18,75,205.95** | 26,67,257.97 |
| | **Total equity and liabilities** | | **12,26,449.28** | 20,45,251.71 |

Significant accounting policies 2
The accompanying notes form an integral part of the financial statements

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 08[illegible]

Place : Gurugram
Date : May 22, 2022
UDIN: 22084096AJKQKG2418

For and on behalf of the Board of Directors of
Minda I connect Private Limited

Arun Kumar Arora
Director
DIN-09298156

Sanjay Jain
Director
DIN-03364405

**Minda I connect Private Limited**
**CIN :U35900DL2014PTC272202**
**Statement of Profit and Loss for the year ended 31 March, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | Particulars | Notes | Year ended March 31 2022 | Year ended March 31 2021 |
|---|---|---|---|---|
| | **Income** | | | |
| I | Revenue from operations | 22 | **31,14,803.58** | 24,67,914.10 |
| II | Other income | 23 | **1,96,292.16** | 22,631.15 |
| III | **Total income( I+II)** | | **33,11,095.74** | 24,90,545.25 |
| IV | **Expenses** | | | |
| | (a) Purchase of Stock-in-Trade | 24 | **26,11,734.21** | 17,75,131.13 |
| | (b) Change in Inventory of Stock-in-Trade | 25 | **13,138.07** | 2,35,169.62 |
| | (c) Employee benefit expenses | 26 | **1,23,418.12** | 3,16,662.83 |
| | (d) Finance costs | 27 | **78,051.51** | 85,869.34 |
| | (e) Depreciation and amortization | 28 | **29,064.30** | 51,284.32 |
| | (f) Other expenses | 29 | **5,30,180.02** | 3,61,651.09 |
| | **Total expenses** | | **33,85,586.21** | 28,25,772.24 |
| V | **Profit for the year before tax( III-IV)** | | **(74,490.48)** | (3,35,226.99) |
| VI | **Tax expense** | | | |
| | Current tax | | - | - |
| | Tax adjustment earlier years | | - | - |
| | Deferred tax charge / (credit) | | - | - |
| | **Total Tax Expense** | | - | - |
| VII | **Profit for the year after tax (V-VI)** | | **(74,490.48)** | (3,35,226.99) |
| VIII | **Other comprehensive income for the year** | 30 | | |
| | **Items that will not be subsequently reclassified to profit or loss** | | **(2,040.22)** | 3,876.79 |
| | -Re-measurement gains/ (losses) on defined benefit plans | | **(2,040.22)** | 3,876.79 |
| | -Income tax effect on Re-measurement gains/ (losses) on defined benefit plans | | - | - |
| IX | **Total comprehensive income for the year(VII+VIII)** | | **(76,530.70)** | (3,31,350.20) |
| X | Earnings per equity share<br>[nominal value of share ₹ 10 (Previous year ₹ 10)] | | | |
| | Basic and Diluted | 31 | **(1.05)** | (4.54) |

Significant accounting policies 2
The accompanying notes form an integral part of the financial statements

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 084096

Place : Gurugram
Date : May 22, 2022
UDIN: 22084096AJKQKG2418

For and on behalf of the Board of Directors of
Minda I connect Private Limited

Arun Kumar Arora
Director
DIN-09298156

Sanjay Jain
Director
DIN-03364405

**Minda I connect Private Limited**
**CIN :U35900DL2014PTC272202**
**Cash Flow Statement for the year ended 31 March, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | Particulars | Year ended March 31 2022 | Year ended March 31 2021 |
|---|---|---|---|
| A. | **Cash flows from operating activities :** | | |
| | Profit before tax | **(74,490.48)** | (3,35,226.99) |
| | **Adjustments to reconcile net profit/loss to net cash provided by operating activities:** | | |
| | Depreciation and amortisation | **29,064.30** | 51,284.32 |
| | Fixed asset written off | **21,761.16** | |
| | Finance Costs | **78,051.51** | 85,869.34 |
| | Interest income | **(485.55)** | (480.27) |
| | Liabilities / provisions no longer required written back | **(36,374.79)** | 3,697.98 |
| | Unrealised gain/ (loss) on Foreign currency fluctuations (net) | **565.59** | 309.70 |
| | Diminution in the value of inventory (loss) | **78,337.31** | 15,741.80 |
| | Doubtful trade and other receivables provided for | - | 17,226.45 |
| | Doubtful trade and other receivables, loans and advances written off | **1,01,788.09** | |
| | Profit on sale of fixed assets | - | (6,202.07) |
| | Operating profit before working capital changes | **1,98,217.15** | (1,67,779.74) |
| | **Operating profit/(loss) before net change in assets and liabilities** | | |
| | (Increase)/Decrease in inventories | **(1,43,536.56)** | 2,35,169.62 |
| | (Increase)/ decrease in trade and other receivables | **1,75,084.70** | (57,954.39) |
| | (Increase)/ decrease in other financial asset | **9,797.35** | 35,909.05 |
| | Increase in other non-current financial assets | **9,715.05** | (8,387.04) |
| | (Increase) in other current assets and current loans | **20,283.31** | 76,895.18 |
| | Increase in trade payables | **(10,17,533.83)** | 3,26,873.05 |
| | Increase/(decrease) in other current liabilities | **5,09,452.44** | 85,511.11 |
| | Increase/(decrease) in short-term provisions | **(2,655.54)** | (13,348.89) |
| | Increase/(decrease) in provisions | **(9,138.64)** | (7,508.46) |
| | Increase/(decrease) in other finance liability | **(1,46,412.43)** | (18,292.36) |
| | | **(5,94,944.16)** | 6,54,866.87 |
| | **Cash used in operations** | **(3,96,727.01)** | 4,87,087.13 |
| | Income tax (paid)/refund received (net) | **36,468.63** | (30,529.38) |
| | **Net Cash used in operating activities (A)** | **(3,60,258.38)** | 4,56,557.74 |
| B. | Cash flows from investing activities | | |
| | Purchase of fixed assets | **(4,258.50)** | (22,134.92) |
| | Proceeds from sale of fixed assets | **4,648.14** | 7,500.00 |
| | Interest received on fixed deposits | **42.58** | 1,016.24 |
| | **Net cash generated from investing activities (B)** | **432.22** | (13,618.68) |
| C. | Cash flows from financing activities | | |
| | Proceeds from/ (repayment of) short term borrowings | **(98,538.61)** | 7,675.35 |
| | Proceeds from/(Repayment) of long term borrowings | **54,224.16** | 69,088.79 |
| | Interest and other finance charges paid on borrowings | **(78,051.51)** | (85,442.48) |
| | Payments for the interest portion of the lease liability | - | (426.86) |
| | Payment of principal portion of the lease liability | - | (16,160.62) |
| | **Net cash used in financing activities (C)** | **(1,22,365.96)** | (25,265.83) |
| | Net increase/ (decrease) in cash and cash equivalents(A+B+C) | **(4,82,192.12)** | 4,17,673.23 |
| | Cash and cash equivalents as at opening | **5,26,348.76** | 1,08,675.53 |
| | Cash and cash equivalents as at closing | **44,156.64** | 5,26,348.76 |
| | Cash in hand | - | 19.01 |
| | Balances with banks: | | |
| | - on current accounts | **36,117.13** | 5,18,290.24 |
| | - on deposit accounts | **8,039.51** | 8,039.51 |
| | Cheques, drafts in hand | - | - |
| | Cash and cash equivalents at the end of the year | **44,156.64** | 5,26,348.76 |

**Significant accounting policies** 2
**The accompanying notes form an integral part of the financial statements**

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, as specified under the section 133 of the Companies Act, 2013.
2 Purchase of Property, Plant and Equipment includes movement of Capital work-in-progress (including capital advances) during the year.
3 Change in liability arising from Financing activity:

| **For the year ended 31st March, 2022** | **April 1, 2021** | **Cash flow** | **Non cash changes** | **March 31, 2022** |
|---|---|---|---|---|
| **Borrowing-Non current** | **6,69,434** | **54,224** | - | **7,23,657.92** |
| **Borrowing-Current** | **2,93,858** | **(98,539)** | - | **1,95,319.79** |
| | **9,63,292** | **(44,314)** | - | **9,18,977.71** |

| For the year ended 31st March, 2021 | April 1, 2020 | Cash flow | Non cash changes | March 31, 2021 |
|---|---|---|---|---|
| Borrowing-Non current | 6,00,34,497 | 5,93,65,063 | - | 6,69,433.76 |
| Borrowing-Current | 2,86,18,305 | 2,83,24,447 | - | 2,93,858.40 |
| | 8,86,52,802 | 8,76,89,510 | - | 9,63,292.16 |

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No. 005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 84096
Place : Gurugram
Date : May 22, 2022
UDIN: 22084096AJKQKG2418

For and on behalf of the Board of Directors of
Minda I Connect Private Limited

Arun Kumar Arora
Director
DIN-09298156

Sanjay Jain
Director
DIN-03364406

**Minda I connect Private Limited**
**Statement of changes in equity**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

**A Equity Share Capital [Refer Note 14(A)]**

(1) Current reporting period

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 7,33,784.10 | - | 7,33,784.10 | - | 7,33,784.10 |

(2) Previous reporting period

| Balance at the beginning of the previous reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the previous year | Balance at the end of the previous reporting period |
|---|---|---|---|---|
| 7,33,784.10 | - | 7,33,784.10 | - | 7,33,784.10 |

**B Other Equity [Refer Note 14(B)]**

(1) Current reporting period

| Particulars | Reserves and Surplus | | Total |
|---|---|---|---|
| | Security Premium | Retained Earnings | |
| Balance at the beginning of the current reporting period | 8,81,653.98 | (29,17,202.07) | **(20,35,548.09)** |
| Changes in accounting policy/prior period errors | - | - | - |
| Restated balance at the beginning of the current reporting period | 8,81,653.98 | (29,17,202.07) | **(20,35,548.09)** |
| Loss for the Year | | (74,490.48) | **(74,490.48)** |
| Other comprehensive income | | (2,040.22) | **(2,040.22)** |
| **Balance at the end of the current reporting period** | **8,81,653.98** | **(29,93,732.77)** | **(21,12,078.78)** |

(2) Previous reporting period

| Particulars | Reserves and Surplus | | Total |
|---|---|---|---|
| | Security Premium | Retained Earnings | |
| Balance at the beginning of the previous reporting period | 8,81,653.98 | (25,85,851.87) | **(17,04,197.89)** |
| Changes in accounting policy/prior period errors | - | - | - |
| Restated balance at the beginning of the previous reporting period | 8,81,653.98 | (25,85,851.87) | **(17,04,197.89)** |
| Loss for the Year | | (3,35,226.99) | **(3,35,226.99)** |
| Other comprehensive income | | 3,876.79 | **3,876.79** |
| **Balance at the end of the previous reporting period** | **8,81,653.98** | **(29,17,202.07)** | **(20,35,548.09)** |

*Other Comprehesive Income includes Remeasurement of defined benefit plans, Refer Note 33.

Significant accounting policies 2
The accompanying notes form an integral part of the financial statements

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Ajay Jain
Partner Membership No. 084096

Place : Gurugram
Date : May 22, 2022
UDIN: 22084096AJKQKG2418

For and on behalf of the Board of Directors of
Minda I connect Private Limited

Arun Kumar Arora
Director
DIN-09298156

Sanjay Jain
Director
DIN-03364405

## 1. Corporate information & Basis of preparation

### (i) Corporate information

The Company was incorporated as Minda I Connect Private Limited on 30th September, 2014, to carry on the business of development of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products and solutions.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the financial year ended on March 31st, 2022.

### (ii) Basis of preparation

### A. Statement of compliance

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

The financial statements up to and for the year ended 31 March 2022 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

### B. Functional and presentation currency

These financial statements are presented in Indian ₹ '00, which is also the Company's functional currency.

### C. Basis of Measurement

The financial statement have been prepared on the historical cost basis except for the following items-

| | |
|---|---|
| (a) Certain financial asset and liabilities | Fair Value |
| (b) Net defined benefit (asset)/liability | Fair value of plan assets less present value of defined benefits obligations. |

### D. Use of estimates and judgements

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

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

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

**E. Measurement of fair values**

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs).

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

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

**2. Significant accounting policies**

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

**a)** Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

**b)** Financial instruments

i. Recognition and initial measurement

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

ii. Classification and subsequent measurement

Financial assets

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

- Amortized cost;
- FVOCI
- FVTPL

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

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

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

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

A Financial Asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial Assets at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

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

AJH & CO. * FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

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

Financial liabilities

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

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

iv. Offsetting

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

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

(a) expected to be realised in, or is intended to be sold or consumed in normal operating cycle;
(b) held primarily for the purpose of being traded;
(c) expected to be realised within 12 months after the reporting date; or
(d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.
A Liability is current when:

(a) it is expected to be settled in normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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

*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.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

**c) Property, plant and equipment**

**i. Recognition and measurement**

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

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

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

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

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

**ii. Subsequent expenditure**

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

***iii. Depreciation***

Depreciation on computers, office equipment and software is provided on the written down value method and for other tangible assets such as rental devices is provided on straight line method over the useful life of the assets, The life of rental devices is considered as 3 years, based on the technical evaluation made by the management.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has used the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act.

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date assets is ready to use. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction, as the case may be.

Depreciation for the year is recognized in the Statement of Profit and Loss

Intangible assets are amortized over their respective individual estimated useful lives on a written down value basis, commencing from the date the asset is available to the Company for its use.

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

AJH & CO.
FRN No. 015302N
GURUGRAM
CHARTERED ACCOUNTANTS

**d) Intangible assets**

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

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

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they arc available for use based on the expected pattern of consumption of economic benefits of the asset.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

**e) Impairment**

**i. Impairment of financial instruments**

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

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

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.
When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is 90 days or more past due.

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

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

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

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.
The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**f) Non-current assets or disposal group held for sale**

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortized or depreciated.

**g) Borrowing cost**

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

**h) Inventories**

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

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

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

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

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

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

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

**i) Leases**

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

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## j) Revenue recognition

(i) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The amount recognized as revenue is exclusive of goods & service tax (GST). This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

(ii)Service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

(iii)Interest income is recognized on accrual basis.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

**k) Provisions (other than employee benefits)**

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

(i) Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

(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.

**l) Employee benefits**

**(i) Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**(ii) Share-based payment transactions**

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

**(iii) Defined contribution plans**

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

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

**(iv) Defined benefit plan**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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

**Compensated absences**

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

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

**(vi) Termination benefits**

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

**m) Income taxes**

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

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

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I Connect Private Limited
Notes forming part of the financial statements for the year ended 31 March 2022

## n) 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.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

3 Property, plant and equipment and capital work-in-progress

| Particulars | Office Equipment | Computers | Rental Devices* | Furniture and Fixture | Total |
|---|---|---|---|---|---|
| Balance at 1 April 2020 | 47,187.94 | 70,433.37 | 119,690.78 | 677.50 | 237,989.59 |
| Additions | - | - | 22,134.92 | - | 22,134.92 |
| Deductions/ Adjustments | 4,450.00 | - | - | - | 4,450.00 |
| **Balance at 31 March, 2021** | **42,737.94** | **70,433.37** | **141,825.70** | **677.50** | **255,674.51** |
| **Additions** | - | - | **4,258.50** | - | **4,258.50** |
| **Deductions** | **4,703.05** | **21,805.58** | **924.80** | - | **27,433.43** |
| **Adjustments (Assets written off)** | - | | **65,969.09** | | **65,969.09** |
| **Balance at 31 March, 2022** | **38,034.89** | **48,627.79** | **79,190.31** | **677.50** | **166,530.49** |
| Balance at 1 April 2020 | 25,800.72 | 54,506.36 | 53,306.79 | 156.02 | 133,769.89 |
| Depreciation for the year | 8,636.76 | 7,349.89 | 18,521.01 | 120.04 | 34,627.70 |
| Disposals | 3,152.07 | 6.14 | - | - | 3,158.21 |
| **Balance at 31 March, 2021** | **31,285.41** | **61,850.11** | **71,827.80** | **276.06** | **165,239.38** |
| **Depreciation for the year** | **4,043.62** | **2,265.47** | **21,691.60** | **92.36** | **28,093.05** |
| **Disposals** | **3,308.54** | **18,759.33** | **717.42** | - | **22,785.29** |
| **Adjustment** | - | | **46,493.69** | | **46,493.69** |
| **Balance at 31, March 2022** | **32,020.49** | **45,356.25** | **46,308.29** | **368.42** | **124,053.45** |
| **Carrying amounts (net)** | | | | | |
| At 31 March, 2021 | 11,452.53 | 8,583.26 | 69,997.90 | 401.44 | 90,435.13 |
| **At 31 March, 2022** | **6,014.40** | **3,271.54** | **32,882.02** | **309.08** | **42,477.04** |

*Rental Devices are devices which are sent to customers on rent, The revenue of this rent is included in the service revenue shown under revenue from operations.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

## 4 Intangible assets

| Particulars | Computer Software | Total |
|---|---|---|
| Cost or deemed cost at 1 April 2020 | 8,880.54 | 8,880.54 |
| Additions | - | - |
| **Balance at 31 March, 2021** | **8,880.54** | **8,880.54** |
| **Additions** | | - |
| **Deletion** | **197.18** | **197.18** |
| **Balance at 31 March, 2022** | **8,683.36** | **8,683.36** |
| Accumulated amortisation at 1 April 2020 | 2,453.73 | 2,453.73 |
| Amortisation for the year | 1,194.16 | 1,194.16 |
| **Balance at 31 March, 2021** | **3,647.89** | **3,647.89** |
| **Amortisation for the year** | **971.24** | **971.24** |
| **Balance at 31 March, 2022** | **4,619.13** | **4,619.13** |
| **Carrying amount (net)** | | |
| At 31 March, 2021 | 5,232.65 | 5,232.65 |
| **At 31 March, 2022** | **4,064.23** | **4,064.23** |

AJH & CO. * CHARTERED ACCOUNTANTS * FRN No. 005302N GURUGRAM

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **5 Other Non-current financial assets** | | |
| Security deposits* | 4,950.00 | 14,665.05 |
| | 4,950.00 | 14,665.05 |

*For details of classification of financial assets and fair value , refer note no. 36

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **6 Deferred tax assets (net)** | | |
| MAT credit entitlement | 2,151.17 | 2,151.17 |
| Deferred tax assets (net) | 2,151.17 | 2,151.17 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **7 Inventories** | | |
| (At lower of cost and net realisable value, unless otherwise stated) | | |
| Traded Goods | 127,841.35 | 140,979.41 |
| Less : Provision for Inventotry Impairment | 34,637.92 | 112,975.23 |
| | 93,203.43 | 28,004.18 |

Entire inventory is pledged against the secured loans of the company.

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **8 Trade receivables** | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Unsecured considered good | 931,496.05 | 1,208,368.84 |
| Trade Receivable with significant increase in credit risk | - | 37,718.29 |
| | 931,496.05 | 1,246,087.13 |
| Less: Provision for Doubtful Debts | - | 37,718.29 |
| | 931,496.05 | 1,208,368.84 |
| Other receivables | | |
| Unsecured considered good | - | - |
| | 931,496.05 | 1,208,368.84 |

The companies exposure to credit risks related to the above financial asset is disclosed in Note 34.

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **Break-up of Trade Receivables:** | | |
| Trade receivables | | |
| Secured- considered good | 931,496.05 | 1,246,087.13 |
| Significant increase in credit risk | - | (37,718.29) |
| | 931,496.05 | 1,208,368.84 |

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

Trade Receivables Ageing Schedule

| As at March 31, 2022 | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | < 6 months | 6 months to 1 year | 1 year to 2 years | 2 year to 3 years | > 3 years | Total |
| Undisputed Trade Receivable - considered good | 492563.9331 | 313,606.72 | 32,051.11 | 93,274.29 | - | - | 931,496.05 |
| Undisputed Trade Receivable - which have significant increase in credit risk | | | - | - | - | - | - |
| Undisputed Trade Receivable - Credit Impaired | | - | - | - | - | - | - |
| Disputed Trade Receivable - considered good | | - | - | - | - | - | - |
| Disputed Trade Receivable - which have significant increase | | - | - | - | - | - | - |
| Disputed Trade Receivable - Credit Impaired | | - | - | - | - | - | - |
| Total | 492563.9331 | 313,606.72 | 32,051.11 | 93,274.29 | - | - | 931,496.05 |

| As at March 31, 2021 | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | < 6 months | 6 months to 1 year | 1 year to 2 years | 2 year to 3 years | > 3 years | Total |
| Undisputed Trade Receivable - considered good | 721161.238 | 333,545.98 | 120,995.95 | 57,962.61 | 9,209.60 | 3,211.76 | 1,246,087.13 |
| Undisputed Trade Receivable - which have significant increase | - | | - | - | - | - | - |
| Undisputed Trade Receivable - Credit Impaired | - | - | - | - | - | - | - |
| Disputed Trade Receivable - considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivable - which have significant increase in credit risk | - | - | (2,296.80) | (26,286.36) | (5,923.37) | (3,211.76) | (37,718.29) |
| Disputed Trade Receivable - Credit Impaired | - | - | - | - | - | - | - |
| Total | 721161.238 | 333,545.98 | 118,699.15 | 31,676.25 | 3,286.23 | - | 1,208,368.84 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **9 Cash and cash equivalents** | | |
| - Balances with banks | | |
| On current accounts | 36,117.13 | 518,290.24 |
| | 36,117.13 | 518,290.24 |
| Cash on hand | - | 19.01 |
| Bank Deposits | 8,039.51 | 8,039.51 |
| | 44,156.64 | 526,348.76 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **10 Current Financial Assets : Loans** | | |
| Loans to Employees | - | 333.34 |
| | - | 333.34 |

*For details of classification of financial assets and fair value , refer note no. 36

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

**Minda I connect Private Limited**
**Notes forming part of the financial statements for the year ended 31 March, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| 11 **Other current financial assets** | | |
| Interest accrued on fixed deposits | 442.97 | - |
| Security deposits | - | 9,787.24 |
| | 442.97 | 9,787.24 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| 12 **Current Tax Asset (Net)** | | |
| TDS & TCS Receivable* | 36,548.48 | 73,017.10 |
| | 36,548.48 | 73,017.10 |
| * Detail of TDS & TCS Receivable | | |
| Ass Year 2020-21 | - | 60,278.13 |
| Ass Year 2021-22 | 23,615.97 | 12,738.97 |
| Ass Year 2022-23 | 12,932.51 | - |
| | 36,548.48 | 73,017.10 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| 13 **Other current assets** | | |
| Prepaid expenses | 13,393.07 | 9,890.59 |
| Balances with government authorities | 42,785.33 | 60,755.63 |
| Advance to Suppliers | 10,779.87 | 16,262.02 |
| | 66,958.27 | 86,908.24 |

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

### 14(A) Equity share capital

| | | As at 31-Mar-22 | | As at 31-Mar-21 | |
|---|---|---|---|---|---|
| (a) | Authorised | Number ('00) | Amount | Number ('00) | Amount |
| | Equity shares of ₹10/- each with voting rights (previous year ₹10/- | 800,000 | 8,000,000 | 800,000 | 8,000,000 |
| | Issued, subscribed and fully paid up | | | | |
| | Equity shares of Rs. 10 each with voting rights | 73,378 | 733,784 | 73,378 | 733,784 |

(b) Rights, preferences and restrictions attached to equity shares
The Company has only one class of equity shares having par value of ₹10/- per share (previous year ₹10/- per share).

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

| | Number ('00) | Amount | Number ('00) | Amount |
|---|---|---|---|---|
| Equity shares | | | | |
| Opening balance | 73,378 | 733,784.10 | 73,378 | 733,784.10 |
| Add: Increase in number of shares issued during the year | - | - | - | - |
| Closing balance | 73,378 | 733,784.10 | 73,378 | 733,784.10 |

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

| | As at 31-Mar-22 | | As at 31-Mar-21 | |
|---|---|---|---|---|
| Class of shares / Name of shareholder | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Minda Investments Limited | 23,915 | 32.59% | 23,915 | 32.59% |
| Minda Finance Limited | 11,950 | 16.29% | 11,950 | 16.29% |
| Bar Investment Limited | 24,142 | 32.90% | 24,142 | 32.90% |
| Singhal Fincap Limited | 12,359 | 16.84% | 12,359 | 16.84% |

The Company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

(e) Promoter's Shareholding
Equity shares of Rs. 10 each

| | As at 31-Mar-22 | | As at 31-Mar-21 | | |
|---|---|---|---|---|---|
| Promoter's Name | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | % Change during the year |
| Minda Investments Limited | 2,391,529 | 32.59% | 2,391,529 | 32.59% | - |
| Minda Finance Limited | 1,195,000 | 16.29% | 1,195,000 | 16.29% | - |
| Bar Investment Limited | 2,414,199 | 32.90% | 2,414,199 | 32.90% | - |
| Singhal Fincap Limited | 1,235,875 | 16.84% | 1,235,875 | 16.84% | - |

### 14(B) Other Equity

| Particulars | Security Premium | Retained Earnings | Total |
|---|---|---|---|
| AS at 1st April 2020 | 881,653.98 | (2,585,851.87) | (1,704,197.89) |
| Profit for the Year | - | (335,226.99) | (335,226.99) |
| Other Comprehensive Income (net of tax)* | - | 3,876.79 | 3,876.79 |
| Total Comprehensive income | - | (331,350.20) | (331,350.20) |
| AS at 31 March, 2021 | 881,653.98 | (2,917,202.07) | (2,035,548.09) |
| Profit for the Year | - | (74,490.48) | (74,490.48) |
| Other Comprehensive Income (net of tax)* | - | (2,040.22) | (2,040.22) |
| Total Comprehensive income | - | (76,530.70) | (76,530.70) |
| AS at 31 March, 2022 | 881,653.98 | (2,993,732.77) | (2,112,078.78) |

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **15 Non-Current Borrowings** | | |
| Unsecured | | |
| Loans from Related party (Bar Investment) | 723,657.92 | 669,433.76 |
| | 723,657.92 | 669,433.76 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **16 Long-term provisions** | | |
| Provision for Employee Benefits | | |
| -Provision for Gratuity | 3,554.43 | 6,449.85 |
| -Provision for Compensated absences | 2,326.66 | 3,874.12 |
| | 5,881.09 | 10,323.97 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **17 Short-term Borrowings** | | |
| Secured Loan | | |
| Bajaj Finance Limited | 195,319.79 | 293,858.40 |
| | 195,319.79 | 293,858.40 |

| | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| **18 Trade payables** | | |
| a) Total outstanding of micro enterprises and small enterprises, and | - | - |
| b) Total outstanding dues of creditors other than micro and small enterprises | | |
| - Others | 38,580.72 | 106,534.61 |
| -Related parties (refer Note 35) | 872,032.79 | 1,857,978.75 |
| | 910,613.51 | 1,964,513.36 |

The companies exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 34.
Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

Trade Payables Ageing Schedule

| As at March 31, 2022 | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 year to 2 years | 2 year to 3 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 698,765.18 | 45,794.81 | 45,939.50 | 120,114.02 | 910,613.51 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - |
| TOTAL | 698,765.18 | 45,794.81 | 45,939.50 | 120,114.02 | 910,613.51 |

| As at March 31, 2021 | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 year to 2 years | 2 year to 3 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 839,006.45 | 1,028,471.84 | 97,035.07 | - | 1,964,513.36 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - |
| TOTAL | 839,006.45 | 1,028,471.84 | 97,035.07 | - | 1,964,513.36 |

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

| 19 Other current financial liabilities | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| Employee Liabilities | 34.62 | 2,115.96 |
| Expenses Payable | 26,553.68 | 170,884.77 |
| | 26,588.30 | 173,000.73 |

| 20 Other current liabilities | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| TDS Payable | 4,424.39 | 8,801.23 |
| TCS Payable | - | 295.02 |
| Advanced received from customer* | 736,852.76 | 221,467.43 |
| Statutory Dues | 497.64 | 1,756.70 |
| | 741,774.79 | 232,320.38 |

*Advance from Customers are contract liabilities and include amounts received under long term service supply agreements. These contracts are to be fulfilled throught delivery of a non financial item, and will be recongised under income statement as per the agreed terms i.e; when the service is provided, all the postion of advance is

| 21 Short-term provisions | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|
| Provision for employee benefits * | | |
| - Gratuity | 482.17 | 565.98 |
| - Compensated absences | 427.39 | 2,999.12 |
| | 909.56 | 3,565.10 |

*For Defined Benefit Obligation plan details and actuarial assumptions Refer Note no.33

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements
(All amounts in Indian , unless otherwise stated)

| 22 Revenue from contracts with customers | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Revenue from operations | | |
| Sale of Products- Traded Goods | 2,583,335.29 | 1,960,597.44 |
| Sale of services | 531,468.29 | 507,316.66 |
| | 3,114,803.58 | 2,467,914.10 |

| 23 Other income | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Interest income | | |
| - On fixed deposits | 485.55 | 480.27 |
| Interest on TDS Refund | 6,109.57 | 1,926.01 |
| Provision written back: | | |
| - Provision for doubtful debt | 37,718.29 | 3,697.98 |
| - Provision for security deposit | 9,120.05 | - |
| - Provision for Impairment of stock | 106,483.91 | - |
| Liability no longer required written back | 36,374.79 | - |
| Profit on sale of fixed Assets | - | 6,202.07 |
| Leave Encashment Excess Provision Written Back | - | 10,324.82 |
| | 196,292.16 | 22,631.15 |

| 24 Purchase of Stock-in-Trade | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Traded Goods | 2,611,734.21 | 1,775,131.13 |
| | 2,611,734.21 | 1,775,131.13 |

| 25 Change in Inventory of Stock-in-Trade | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Opening inventories(A) | | |
| -Traded Goods | 140,979.41 | 376,149.03 |
| Closing inventories(B) | | |
| -Traded Goods | 127,841.34 | 140,979.41 |
| Change in Inventory(A-B) | 13,138.07 | 235,169.62 |

| 26 Employee benefits expense | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Salaries, wages and bonus | 121,248.07 | 302,848.74 |
| Compensated absence | 1,131.01 | - |
| Contribution to provident and other funds | 934.04 | 13,438.65 |
| Staff welfare expense | 105.00 | 375.44 |
| | 123,418.12 | 316,662.83 |

| 27 Finance costs | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Interest on Unsecured Loans | 60,249.04 | 55,469.07 |
| Interest on Cash Credit account and WC Loan | 17,483.18 | 28,306.24 |
| Interest on Lease Liability (Refer Note 40) | - | 426.86 |
| Bank Charges/Other Borrowing Cost | 319.29 | 605.82 |
| Interest on MSME Overdue | - | 1,061.35 |
| | 78,051.51 | 85,869.34 |

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

**Minda I connect Private Limited**
**Notes forming part of the financial statements**
**(All amounts in Indian , unless otherwise stated)**

## 28 Depreciation and amortisation

| | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Depreciation on tangible fixed assets | 28,093.06 | 34,627.70 |
| Amortisation on intangible fixed assets | 971.24 | 1,194.16 |
| Depreciation on ROU Asset | - | 15,462.46 |
| | 29,064.30 | 51,284.32 |

Refer Note 3 for details of Fixed Assets and Depreciation

## 29 Other expenses

| | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| License Fee | 1,543.30 | 2,097.84 |
| Insurance Expenses | 1,654.40 | 4,862.73 |
| Sales Commission | 2,919.04 | 2,503.24 |
| Travelling and conveyance | 14,573.49 | 18,471.61 |
| Legal & Professional Expenses | 68,102.86 | 2,095.54 |
| New Product Development R&D | 2,616.92 | 15,075.14 |
| Office Maintenance | 12,319.13 | 19,783.37 |
| Repair and Maintenance | 3,399.09 | 151.82 |
| Communication expenses | 2,263.50 | 2,306.98 |
| Printing and stationery | 292.66 | 8,488.39 |
| Fixed Asset written off | 21,761.16 | - |
| Provision for Doubtful Debts | - | 17,226.45 |
| Bad Debt written Off | 87,123.04 | - |
| Security deposit no longer recoverable | 14,665.05 | - |
| Rates and Taxes | 494.53 | 1,073.56 |
| Late Fees on tax liability | 1,070.15 | 591.65 |
| Office Rent | - | 2,006.56 |
| Foreign Exchange Fluctuation (Realised) | 288.83 | 249.87 |
| Foreign Exchange Fluctuation (Unrealised) | 565.59 | 309.70 |
| Installation Charges | 2,563.89 | 6,794.80 |
| General expense | 14.54 | 2,023.87 |
| Provision for inventory impairment | 28,146.60 | 15,741.80 |
| Auditor's Fees | 1,050.00 | 1,100.00 |
| Marketing Expenses | 87.05 | 4,249.93 |
| Distribution Expenses | 1,603.45 | 3,005.35 |
| Telecommunication Services | 19,848.99 | 48,443.65 |
| Subscription Charges | 15,690.80 | 22,483.76 |
| Hosting Services | 121,445.93 | 110,645.57 |
| EMD Provision & Tender Charges | 6,441.60 | 9,920.05 |
| License Procurement Charges | 23,033.33 | 22,877.89 |
| Warranty Expense | 73,669.54 | 14,164.66 |
| Others | 931.54 | 2,909.22 |
| | 530,180.02 | 361,654.99 |

Note:
Payments to the auditors (excluding GST)

| | | |
|---|---|---|
| Statutory audit | 800.00 | 850.00 |
| Tax Audit | 250.00 | 250.00 |
| | 1,050.00 | 1,100.00 |

## 30 Other comprehensive income

| | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| A Items that will not be reclassified to profit & loss | | |
| Re measurement of the defined benefit plans | (2,040.22) | 3,876.79 |
| Income tax related to above | - | - |
| (+) Income/(-) Expense | (2,040.22) | 3,876.79 |

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements
(All amounts in Indian , unless otherwise stated)

| | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| 31 **Earnings per share (EPS)** | | |
| Profit Attributable to Equity Shareholders | (76,531) | (331,350) |
| Weighted average number of Equity Shares (in Nos.): | | |
| for Basic EPS | 73,041 | 73,041 |
| for Diluted EPS | 73,041 | 73,041 |
| Basic earnings per share in rupees (Face value ₹10 per share) (In rupees) | (1.05) | (4.54) |
| Diluted earnings per share in rupees(Face value ₹10 per share) (In rupees) | (1.05) | (4.54) |
| Calculation of weighted average number of shares for basic/diluted earnings per share | | |
| For basic earnings per share | | |
| Opening and closing balance of Equity Shares | 7,337,841 | 7,337,841 |
| Add, for diluted earnings per share | 7,337,841 | 7,337,841 |
| Add: Weighted average number of potential shares on account of employee stock options/ performanc | - | - |
| Add: Weighted average number of potential shares on account of placement of shares to qualified institutional buyers ('QIB') | - | - |
| For diluted earnings per share | 7,337,841 | 7,337,841 |

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

## 32 Segment Information

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources, based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

**Information about geographical areas**
The Company sells its products and services within India and do not have any operations in economic environments with different set of risks and returns. Hence, it is considered to be operating in a single geographical segment.

## 33 Disclosure pursuant to Ind AS 19 on "Employee Benefits"

**a) Defined benefit plans**
**Gratuity**
Gratuity is payable to all eligible employees of the Company on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972. A defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

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

**(i) Changes in defined benefit obligation (unfunded):**

| Particulars | For the year ended | For the year ended |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Present value of obligation as at the beginning of the year | 7,015.83 | 14,869.24 |
| Current service cost | 793.36 | 2,128.63 |
| Interest cost | 476.73 | 1,017.82 |
| Benefits paid | (1,297.04) | (250.43) |
| Transfer In/ (Out) | (4,412.09) | (6,872.64) |
| Actuarial (gain)/loss recognized in other comprehensive income | 1,459.81 | (3,876.79) |
| Present value of obligation as at the end of year | | |
| - Long term | 3,554.43 | 6,449.85 |
| - Short term | 482.17 | 565.98 |
| | | |

**(ii) Changes in the fair value of plan assets:**

| Particulars | For the year ended | For the year ended |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Fair value of plan assets at the beginning of the year | - | - |
| Expected return on plan assets | - | - |
| Re-measurements due to: Actual Return on Plan Assets less interest on Plan Assets | - | - |
| Fair value of plan assets at the end of the year | - | - |

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

| Particulars | For the year ended | For the year ended |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Present value of obligation as at the end of the year | (4,036.60) | (7,015.83) |
| Fair value of plan assets as at the end of the year | - | - |
| Net asset/(liability)recognized in balance sheet | (4,036.60) | (7,015.83) |

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

| Particulars | For the year ended | For the year ended |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Current Service Cost | 793.36 | 2,128.63 |
| Interest cost | 476.73 | 1,017.82 |
| Expenses recognized in the statement of profit and losses | 1,270.09 | 3,146.45 |

Note: Interest Cost has been shown under employee benefit expenses along with Current Service Cost.

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

| Particulars | For the year ended | For the year ended |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Changes in Financial Assumption | (107.92) | 25.20 |
| Changes in Demographic Assumption | - | |
| Experience Adjustments | 1,567.73 | (3,901.99) |
| Actual return on plan assets less interest on plan assets | | |
| **Amount recognized in other Comprehensive Income (OCI)** | 1,459.81 | (3,876.79) |

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

a) Economic assumptions:

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

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Discount rate (per annum) | 7.20% | 6.80% |
| Salary growth rate (per annum) | 8.00% | 8.00% |

b) Demographic assumptions:

| Particulars | Assumptions as on 31-Mar-22 | Assumptions as on 31-Mar-21 |
|---|---|---|
| Mortality rate | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| Normal Retirement Age (Years) | 58 | 58 |
| Attrition/ Withdrawl rate (per annum) | 15% | 15% |

**(vii) Sensitivity analysis for significant assumptions:***

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

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| 1% increase in discount rate | 3,788.50 | 6,539.53 |
| 1% decrease in discount rate | 4,316.53 | 7,553.08 |
| 1% increase in salary escalation rate | 4,311.62 | 7,541.57 |
| 1% decrease in salary escalation rate | 3,788.06 | 6,540.37 |
| 50% increase in withdrawl rate | 3,891.89 | 6,291.31 |
| 50% decrease in withdrawl rate | 4,270.25 | 8,053.04 |
| 10% increase in Mortality rate | 4,036.44 | 7,015.52 |
| 10% decrease in Mortality rate | 4,036.76 | 7,016.14 |

**(viii) The expected benefit payments in future years is as follows:**

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| 1 Year | 482.17 | 565.98 |
| 2 to 5 Years | 2,108.01 | 3,322.08 |
| 6 to 10 Years | 1,791.48 | 3,474.02 |
| More than 10 Years | 2,883.11 | 5,236.57 |

* Please note that since the scheme is managed on unfunded basis , the next year contribution is taken as nil.

**b) Defined contribution plan**

An amount of Rs. 2,74,701 (previous year 'Rs.8,93,375 ) for the year, has been recognized as an expense in respect of the Company's contribution towards Provident Fund, deposited with the Government authorities and has been included under employee benefit expense in the Statement of Profit and Loss. Further an amount of Rs 0` (previous year `Rs 604) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI Fund, and has been included under employee benefit expense in the Statement of Profit and Loss.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

## 34 Financial Risk Management Objectives (Ind AS 107)

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

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at March 31, 2022. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

**(i) 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 interest bearing financial liabilities includes borrowings with fixed interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**(ii) Foreign Currency Risk**

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

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables, receivables and borrowings and is therefore, exposed to foreign exchange risk. The Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates.

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

| Currency | As at 31 Mar 2022 | | | As at 31 Mar 2021 | | |
|---|---|---|---|---|---|---|
| | Foreign currency Amount | Exchange rate | Rupees in INR | Foreign currency Amount | Exchange rate | Rupees in INR |
| Trade Receivables | - | - | - | - | - | - |
| | | | | | | |
| Trade Payables | | | | | | |
| USD | 13,106.10 | 75.81 | 9,935.35 | 18,921.00 | 73.50 | 13,908.00 |

**Foreign currency risk sensitivity**

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

| Exposure gain/(loss) | 31-Mar-22 | | 31-Mar-21 | |
|---|---|---|---|---|
| Particulars | Change +1% | Change -1% | Change +1% | Change -1% |
| Trade Receivables | - | - | - | - |
| | | | | |
| Trade Payables | | | | |
| USD | (99.35) | 99.35 | (139.06) | 139.06 |

**Minda I connect Private Limited**
**Notes forming part of the financial statements for the year ended 31 March, 2022**
**(All amounts in Indian ₹ '00, unless otherwise stated)**

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

| Particulars | On demand | Less than 3 months | 3 to 12 months | 1-5 Years | More than 5 Years | Total |
|---|---|---|---|---|---|---|
| As at March 31, 2022 | | | | | | |
| Borrowings | - | - | - | 723,657.92 | - | 723,657.92 |
| Trade payable | - | 670,728.52 | 28,025.10 | 211,859.89 | - | 910,613.51 |
| Other financial liabilities | - | - | 26,588.30 | - | - | 26,588.30 |
| Total | - | 670,728.52 | 54,613.40 | 935,517.81 | - | 1,660,859.73 |
| As at March 31, 2021 | | | | | | |
| Borrowings | - | - | - | 669,433.76 | - | 669,433.76 |
| Trade payable | - | 1,964,513.36 | - | - | - | 1,964,513.36 |
| Other financial liabilities | - | - | 173,000.73 | - | - | 173,000.73 |
| Total | - | 1,964,513.36 | 173,000.73 | 669,433.76 | - | 2,806,947.85 |

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

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are Companyed into homogenous Companys and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable) disclosed in Note 8. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are operating in different segments. Further, the Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts.

**The table below summarises the ageing bracket of trade recievables.**

| Particulars | Gross carrying amount | |
|---|---|---|
| | 31-Mar-22 | 31-Mar-21 |
| Current (not past due) | | - |
| 1-30 days past due | 417,909.44 | 589,459.60 |
| 31-60 days past due | 239,104.87 | 188,196.78 |
| 61-90 days past due | 131,321.19 | 36,661.73 |
| More than 90 days past due | 143,160.54 | 394,050.74 |
| Total | 931,496.05 | 1,208,368.84 |

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| At the beginning of the year | 37,718.28 | 24,159.20 |
| Provision during the year | 80,387.03 | 17,226.44 |
| Bad debts written off | (118,105.31) | - |
| Reversal of provision | - | (3,667.36) |
| **At the end of the year** | - | 37,718.28 |

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

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

35 Related Party Disclosures (Ind AS 24)

(a) Names of related parties and related party relationship

(i) Related Parties where control exists
There is no related party which is a holding company for the company.

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

Entities having significant influence or having common influence/control

Minda Investments Limited
Littlestar Estates Private Limited
Minda Projects Limited
Minda Realty & Infrastructure Limited
S.N. Castings Limited
Shilpalaya Constructions Private Limited
Minda Automotive Limited
Minda Finance Limited
Bar Investments and Finance Private Limited
Maa Rukmani Devi Auto Private Limited
Pioneer Finest Limited
Shreeaumji Infrastructure and Projects Private Limited
Singhal Fincap Limited
Toyoda Gosei Minda India Private Limited
Minda Kosei Aluminium Wheel Private Limited
Minda Nabtesco Automotive Private Limited
Jindal Soft Italia Seating Private Limited
Minda Industries (Firm)
P&P Management
Yogendra Engineering (Partnership Firm)

(b) Details of transactions / balances with related parties:

| Related party | Nature of transaction | For the year ended 31 Mar 22 | For the year ended 31 Mar 21 |
|---|---|---|---|
| Transactions during the period | | | |
| | | | |
| Minda Industries Limited-Controller | Service rendered | 15,211.98 | 30,648.32 |
| | Sales of goods | 45,384.01 | 16,996.50 |
| | Goods Purchased | 2,528,175.06 | 1,754,437.25 |
| | Services Received | 922.67 | 48,489.18 |
| | Other Reimbursements | - | 16,096.09 |
| Minda Industries Limited-Pune-CREAT Division | Services Received | 5,413.39 | 2,680.92 |
| | Sales of goods | 763.99 | - |
| | Service rendered | 22,188.37 | 531.00 |
| Minda Industries Limited-Pune-Sensor Devision | Services Received | - | 1,868.87 |
| Minda Industries Limited-Manesar- Switch Devision | Services Received | - | 7,127.17 |
| Minda Industries Limited-Corporate | Services Received | 2,554.94 | 1,793.62 |
| M J Casting Limited | Sales of goods | 45.18 | - |
| Minda Onkyo India Private Limited | Services Received | 396.60 | |
| Minda Rika Private Limited | Service rendered | 1,440.00 | - |
| Bar Investments and Finance Private Limited | Loan taken | - | 18,000.00 |
| | Interest | 60,249.04 | 51,088.79 |

| Outstanding Balances At The Year End | Balance Grouping | For the year ended 31 Mar 2022 | For the year ended 31 Mar 2021 |
|---|---|---|---|
| Minda Industries Limited | Trade Payables | 872,032.79 | 1,857,978.75 |
| Bar Investments and Finance Private Limited | Long term Borrowing | 723,657.92 | 669,433.76 |

Note
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
Outstanding balances at the year-end are unsecured and settlement occurs in cash.
There have been no guarantees provided or received for any related party receivables or payables.
For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

36 **Fair value measurements**

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

| Category | Fair value hierarchy | As at 31 Mar, 2022 | | As at 31 Mar, 2021 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **1) Financial assets at amortized cost** | | | | | |
| **Financial assets whose fair value approximate their carrying value** | | | | | |
| Trade receivables | Level 3 | 931,496.05 | 931,496.05 | 1,208,368.84 | 1,208,368.84 |
| Cash and cash equivalents | Level 3 | 44,156.64 | 44,156.64 | 526,348.76 | 526,348.76 |
| Non Current Security Deposit | Level 3 | 4,950.00 | 4,950.00 | 14,665.05 | 14,665.05 |
| Current Security Deposit | Level 3 | - | - | 9,787.24 | 9,787.24 |
| Loans (Employees) | Level 3 | - | - | 333.34 | 333.34 |
| **Total** | | 980,602.69 | 980,602.69 | 1,759,503.23 | 1,759,503.23 |
| **2) Financial Liabilities at amortized cost** | | | | | |
| **Financial Liability whose fair value approximate their carrying value** | | | | | |
| Borrowings | Level 3 | 918,977.71 | 918,977.71 | 963,292.16 | 963,292.16 |
| Trade payables | Level 3 | 910,613.51 | 910,613.51 | 1,964,513.36 | 1,964,513.36 |
| Employee liabilities | Level 3 | 34.62 | 34.62 | 2,115.96 | 2,115.96 |
| **Total** | | 1,829,625.84 | 1,829,625.84 | 2,929,921.48 | 2,929,921.48 |

* Management has assessed that trade receivables, cash and cash equivalents, other bank balances and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Discount rate used in determing fair value**

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables and Interest accrued on borrowings approximate their carrying
There have been no transfers between Level 1 and Level 2 during the period.

**Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:
a. the use of quoted market prices or dealer quotes for similar instruments.
b. the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
c. the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
d. the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

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

The information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

Information in terms of section 22 of Micro, Small and Medium enterprise development Act, 2006 are given below.

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| -Principal amount due to micro and small enterprises | - | - |
| -Interest due | - | 106,135.00 |
| **Total** | - | 106,135.00 |
| 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 each accounting year. | - | 242,238.00 |
| 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 | - | - |

AJH & CO.
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

38 Leases

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

| Particulars | Less than 1 year | 1 to 5 years | More than 5 year |
|---|---|---|---|
| Building | - | - | - |
| **Total** | - | - | - |

The following are the amounts recognised in the statement of profit and loss:

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Depreciation expense of right-of-use assets | - | 15,462.46 |
| Interest expense on lease liabilities | - | 426.86 |
| Expense relating to short-term leases (included in other expenses) | - | 2,006.56 |
| **Total amount recognised in statement of profit and loss** | - | 17,895.88 |

The effect of transition on statement of profit and loss for the year is as follows:

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Other Expenses | - | (16,587.48) |
| Finance cost | - | 426.86 |
| Depreciation on right to use asset | - | 15,462.46 |
| **Net Impact on Profit Before Tax** | - | (698.16) |

Impact on statement of cash flows (increase/(decrease)):

| Particulars | For the year ended 31-Mar-22 | For the year ended 31-Mar-21 |
|---|---|---|
| Operating lease payments* | - | (16,587.48) |
| **Net cash flows from operating activities** | - | (16,587.48) |
| Payment of principal portion of lease liabilities | - | 16,160.62 |
| Payment of interest portion of lease liabilities | - | 426.86 |
| **Net cash flows from financing activities** | - | 16,587.48 |

* Composed of different line items in the indirect reconciliation of operating cash flows.

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

**39 Capital Management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 20201.

**40 Events occuring after the reporting period**

The company does not have any material non adjusting events, also no dividend has been proposed by the company.

**41 Contingent Liabilities and Commitments**

**Contingent Liabilities**

There are no known contingent liabilities not disclosed and there are no legal (whether related to tax or non-tax matters), administrative or other proceedings pending, or to the knowledge of the company which would materially affect its financial condition.

**Commitments**

a) Capital and other commitments

(1) There are no Capital committements as on March 31, 2022 and March 31, 2021.

(2) There are no major others commitments as on March 31, 2022 and March 31, 2021.

(3) Commitments relating to Short term lease arrangements

b) Short Term lease commitments - Company as lessee

The total rent expense under these agreements during the year ended March 31, 2022 is Nil (March 31, 2021: INR 200656 ).

**42 Critical estimates and judgements in applying accounting policies:**

The management believes that the estimates used in prepartion of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as follows:

(i) Property, plant and equipment

The carrying value of Property, plant and equipment is determined is arrived at by depreciating the asset over the useful life of the asset, the estimate of usefule life is reviewed at the end of each financial year.

(ii) Defined Benefit Plan

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

(iii) Deferred Tax

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

**43 Other Statutory Information**

i) There are no proceeding initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

ii) The Company have borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iii)The Company do not have any transactions with companies struck off.

iv) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v) The Group have not 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.

vi) The Company has not advanced or loaned or invested funds or received any funds (either borrowed funds or share premium or any other sources or kind of funds) to/from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;

vii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

AJH & CO
FRN No. 005302N
GURUGRAM
CHARTERED ACCOUNTANTS

Minda I connect Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2022
(All amounts in Indian ₹ '00, unless otherwise stated)

44 RATIOS

| Particular | Ratios 2021-2022 | | Ratios 2020-2021 | | %age change | Reason for Changes |
|---|---|---|---|---|---|---|
| **Current Ratio** | | 0.63 | | 0.72 | 13.69% | No major change |
| Numerator= Cash & Cash equivalents + Trade Receivable+ Inventories + Other current assets + Loan to Employees + Int. accrued on FD+ Current tax asset | 11,72,805.84 | | 19,32,767.71 | | | |
| Denominator= Trade Payables + Other Current Liabilities + Short term Provisions for gratuity & LE + Employee liabilities + Borrowings | 18,75,205.95 | | 26,67,257.97 | | | |
| **Debt-Equity Ratio** | | -0.67 | | -0.74 | 9.90% | No major change |
| Numberator= Unsecured loan + Secured loan | 9,18,977.71 | | 9,63,292.16 | | | |
| Denominator = Share Capital + reserve & Surplus | -13,78,294.68 | | -13,01,763.99 | | | |
| **Debt Service Coverage Ratio** | | 0.418 | | -2.31 | 118.12% | Variance due substantial reduction in losses from previous year |
| Numerator= Net Profit + Depreciation & amortization expense + Finance cost | 32,625.33 | | -1,98,073.33 | | | |
| Denominator= Finance costs | 78,051.51 | | 85,869.34 | | | |
| **Return on Equity Ratio** | | -0.05 | | -0.26 | 79.01% | Variance due substantial reduction in losses from previous year |
| Numerator= Profit/(Loss) for the Year | -74,490.48 | | -3,35,226.99 | | | |
| Denominator = Share Capital + reserve & Surplus | -13,78,294.68 | | -13,01,763.99 | | | |
| **Inventory Turnover Ratio:** | | 43.31 | | 13.10 | -230.63% | Variance due to reduction in inventory |
| Numerator= Purchase of Stock in Trade + change in inventory of SIT | 26,24,872.27 | | 20,10,300.75 | | | |
| Denominator = Average Inventory (F.G.) | 60,603.81 | | 1,53,459.89 | | | |
| **Trade Receivables turnover ratio** | | 2.91 | | 2.08 | -40.14% | Variance due to reduction in trade receivables and incremental sales |
| Numerator= Net credit Sales | 31,14,803.58 | | 24,67,914.10 | | | |
| Denominator = Average Trade receivable | 10,69,932.45 | | 11,88,004.88 | | | |
| **Trade Payable turnover ratio** | | 1.82 | | 0.94 | -92.87% | Variance due to reduction in trade payables and incremental purchases |
| Numerator= Net credit Purchases | 26,11,734.21 | | 17,75,131.13 | | | |
| Denominator = Average Trade Payable | 14,37,563.44 | | 18,84,515.38 | | | |
| **Net capital turnover ratio** | | -4.80 | | -3.97 | -21.01% | No major change |
| Numerator= Sales | 31,14,803.58 | | 24,67,914.10 | | | |
| Denominator = Total Assets - Current Liabilities | -6,48,756.67 | | -6,22,006.27 | | | |
| **Net Profit Ratio** | | -0.02 | | -0.14 | 82.39% | Variance due substantial reduction in losses from previous year |
| Numerator=Profit/ (loss) for the year | -74,490.48 | | -3,35,226.99 | | | |
| Denominator= Net Sales | 31,14,803.58 | | 24,67,914.10 | | | |
| **Return on Capital Employed** | | -0.01 | | -0.40 | 98.63% | Variance due substantial reduction in losses from previous year |
| Numerator= EBIT | 3,561.03 | | -2,49,357.64 | | | |
| Denominator = Total Assets - Current Liabilities | -6,48,756.67 | | -6,22,006.27 | | | |
| **Return on investment** | NA | - | NA | - | | NA |

45 Previous year figures have been regrouped / reclassed, where ever necessary, to confirm to this years classification.

Significant accounting policies 2
The accompanying notes form an integral part of the financial statements

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

Ajay Jain
Partner Membership No: 084096

AJH & CO. FRN No. 005302N GURUGRAM CHARTERED ACCOUNTANTS

Place : Gurugram
Date : May 22, 2022
UDIN: 22084096AJKQKG2418

For and on behalf of the Board of Directors of
Minda I connect Private Limited

Arun Kumar Arora
Director
DIN-09298156

Sanjay Jain
Director
DIN-03364405

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Minda Industries Limited**

**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of Minda Industries Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, 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 standalone 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 standalone 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, 2022, its profits including other comprehensive income/(loss), its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| **(a) Revenue recognition for sale of goods** (as described in Note 2.14 and 18 of the standalone financial statements) | |
| Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition.<br><br>Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/ share of business, rebates etc provided to the customers. The Company's business also requires passing on price variations to the customer for the sales made by the Company. The Company at the year end, has provided for such price variations to be passed on to the customer. | Our audit procedures included the following:<br>• We evaluated the Company's accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers.<br>• We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations.<br>• We performed audit procedures on a representative sample of the sales transactions to test that the revenues and related trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also, tested, on sample basis, debit/ credit notes in respect of agreed price variations passed on to the customers. |

## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| There is a risk that revenue could be recognized at incorrect amount on account of the significant judgement and estimate involved in calculation of price variations to be recorded as at the year end and in the incorrect period on account for sales transactions occurring on and around the year end. Therefore, revenue recognition has been identified as a key audit matter. | • We performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.<br>• We tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts and tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations;<br>• We assessed the adequacy of revenue related disclosures in the standalone financial statements. |
| **Assessment of impairment of Goodwill and investments in subsidiaries, associates and joint ventures** (as described in Note 5 and 6 of the standalone financial statements) | |
| As at March 31, 2022, the standalone financial statements includes Goodwill of Rs. 31.39 crores and investments in subsidiaries, associates and joint ventures valued at cost less impairment (wherever applicable) having carrying value of Rs 1,194.10 crores as at March 31, 2022.<br>The Company has identified investments where indicators of impairment exists and performed an impairment assessment on those investments and goodwill as at March 31, 2022.<br>In accordance with Indian Accounting Standards (Ind-AS) – 36 'Impairment of Assets', the management has performed impairment testing of goodwill and investments in subsidiaries, joint ventures and associates to the underlying cash generating unit (CGU) and tested these for annual impairment using a discounted cash flow model.<br>The impairment test model used by management factors impact of COVID-19 and also includes sensitivity testing of key assumptions.<br>The impairment test of investments in subsidiaries, joint ventures, associates, and goodwill is considered as significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and materiality of the balances to the standalone financial statements as a whole. | Our audit procedures among others included the following:<br>(a) We obtained an understanding of the process and tested the operating effectiveness of internal controls over the impairment assessment process and preparation of the cash flow forecast based on assumptions and inputs to the model used to estimate the future cash flows.<br>(b) We assessed the Company's methodology applied in determining the CGU to which these assets are allocated.<br>(c) We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates.<br>(d) We compared the cash flow forecasts used in impairment testing to approved budget and other relevant market and economic information, as well as testing the underlying calculations.<br>(e) We discussed the potential changes in key assumptions as compared to previous year to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.<br>(f) We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment.<br>(g) We also involved specialist to assess the assumptions and methodology used by the management to determine the recoverable amount and also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.<br>(h) We tested the arithmetical accuracy of the models.<br>(i) We evaluated the adequacy of disclosures in the standalone financial statements related to management's assessment on the impairment tests and as required under Indian Accounting Standard (Ind-AS) -36 Impairment of Assets. |

## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| **Intangibles assets capitalized or under development (as described in Note 5 of the standalone financial statements)** | |
| The Company has various technical know-how projects capitalized or under development. Initial recognition of the expenditure under these projects are based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization.<br>In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments.<br>Due to the materiality of these intangible assets recognized and the level of management judgement involved, initial recognition and measurement of intangible assets has been considered as a key audit matter. | Our audit procedures included the following:<br>a) We assessed the Company's research and development expenditure accounting policies in relation to Ind AS 38 "Intangible Assets".<br>b) We performed test of control over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset and ability to use or sell the asset, generation of future economic benefits and the ability to measure reliably the expenditure attributable to the intangible asset during its development.<br>c) We performed test of details of development expenditure capitalized by evaluating the key assumptions including the authorization of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset and possible effect of Covid-19 impact on such capitalization In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects.<br>d) We assessed the adequacy of disclosure relating to research and development expenditure in the standalone 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 Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

### Responsibilities of Management for the Standalone 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 and presentation of these standalone financial statements in terms of the requirements of the Act that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and standalone changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on June 13, 2021.

The standalone financial statements include the Company's share of net profit of Rs. 13.75 crores for the year ended March 31, 2022 in respect of 5 partnership firms. The financial statements and other financial information of the said partnership firms have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these partnership firms and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid partnership firms, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter.

## 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, based on our audit, 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) (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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone 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, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 standalone financial statements – Refer Note 27 to the standalone financial statements;

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

      iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

| Nature of dues | Amount in Rs. lakhs | Due in financial year | Remarks |
|---|---|---|---|
| Unclaimed dividend to be transferred to Investor Education and Protection Fund | 1.71 | 2020-21 | Paid on May 23, 2022 |

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person 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, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

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 performed that have been 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 in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 11 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTOS6101

Place: New Delhi
Date: May 24, 2022

# ANNEXURE '1'

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

**Re: Minda Industries 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.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) Property, Plant and Equipment are physically verified by the management in phased manner over a period of three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in note 3 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except for below mentioned cases wherein the title deeds of the immovable Properties in the nature of freehold land and leasehold land which were acquired pursuant to a Scheme of Amalgamation were approved by National Company Law Tribunal's (NCLT) and which are not individually held in the name of the Company, however the deed of merger has been registered by the Company:

| Description of Property | Gross carrying value (Rs. In Crores) | Held in name of | Whether promoter, director or their relative or employee | Approved by NCLT |
|---|---|---|---|---|
| Leasehold land at Plot No. 5A, Sector 10, Industrial Estate, Pantnagar, Uttarakhand | 0.45 | Minda Fiamm Acoustic Limited | No | 27-01-2011 |
| Freehold land at Plot No. 323, Sector - 3, Phase II/IV, Industrial Estate, GC Bawal | 14.69 | MJ Casting Limited | No | 01-06-2011 |
| Freehold Land at Priya Madhagondapalli Village, Karnataka | 2.39 | MJ Casting Limited | No | 01-06-2011 |

## ANNEXURE '1' (Contd.)

| Description of Property | Gross carrying value (Rs. In Crores) | Held in name of | Whether promoter, director or their relative or employee | Approved by NCLT |
|---|---|---|---|---|
| Freehold Land at Plot No. 74&74A in F-II Block, Pimpri, Chinwad | 1.02 | Minda Rinder Private Limited | No | 01-06-2011 |
| Freehold Land at Plot No. 12 & 13, Sector 16, Industrial Estate, Bahadurgarh, District Jahjjar, Haryana, 124507 | 3.03 | Rinder India Private Limited | No | 01-06-2011 |
| Leasehold land at Plot No. A-2, Ranjangon, Karegaon, Shirur, Pune | 0.39 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold land at Plot No. 35, Sector-04, IIE Pant Nagar, US Nagar, Uttarakhand | 0.52 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold land at Plot No. 11, Sector-10, Sidcul, IIE, Pantnagar | 5.41 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold land at Plot No. 50, Dist. Dhar, Smart Industrial Park Near Natrip, Pitampur, Madhya Pradesh | 5.23 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold Land at Belagondapalli Revenue Village, Denkanikottai Taluk, Krishnagiri District, Chennai | 0.10 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold Land at Belagondapalli Revenue Village, Denkanikottai Taluk, Krishnagiri District, Chennai | 0.58 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Leasehold Land at Belagondapalli Revenue Village, Denkanikottai Taluk, Krishnagiri District, Chennai | 0.16 | Harita Seatings Systems Limited | No | 01-02-2021 |
| Freehold land at 34-35 K.M., G.T. Karnal Road, Village Rasoi, Distt Sonepat, Haryana | 0.37 | Minda Auto Industries Private Limited | No | 28-05-2010 |

(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, 2022.

(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 management has conducted physical verification of inventory at reasonable intervals during the year except for inventories lying with third parties and goods in transit. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification by the management is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification and in respect of such confirmations. Goods in transit have been received substantially subsequent to the year ended March 31, 2022.

(ii) (b) As disclosed in note 12 to the 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 statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

| Quarter ending | Value per books of account (Rs. in crores) (A) | Value per quarterly return/statement (Rs. in crores) | Variance (A-B) (Rs. in crores) | Remarks |
|---|---|---|---|---|
| **Inventory** | | | | |
| Jun-30 | 390.07 | 373.34 | 16.73 | As per note 12 to the standalone financial statement |
| Sep-30 | 416.98 | 375.16 | 41.82 | |
| Dec-31 | 451.71 | 454.96 | (3.25) | |
| Mar-31 | 471.29 | 465.84 | 5.45 | |

## ANNEXURE '1' (Contd.)

| Quarter ending | Value per books of account (Rs. in crores) (A) | Value per quarterly return/statement (Rs. in crores) | Variance (A-B) (Rs. in crores) | Remarks |
|---|---|---|---|---|
| **Revenue** | | | | |
| Jun-30 | 885.50 | 894.19 | (8.69) | |
| Sep-30 | 2,185.26 | 2,297.17 | (111.91) | |
| Dec-31 | 3,518.96 | 3,646.46 | (127.51) | |
| Mar-31 | 4,966.60 | 5,008.05 | (41.45) | |
| **Trade Payables** | | | | |
| Jun-30 | 525.00 | 334.40 | 190.60 | As per note 12 to the standalone financial statement |
| Sep-30 | 802.07 | 665.91 | 136.16 | |
| Dec-31 | 806.00 | 653.98 | 152.02 | |
| Mar-31 | 879.45 | 690.22 | 189.23 | |
| **Trade Receivables** | | | | |
| Jun-30 | 544.45 | 521.67 | 22.78 | |
| Sep-30 | 705.34 | 657.50 | 47.84 | |
| Dec-31 | 727.56 | 697.05 | 30.51 | |
| Mar-31 | 864.58 | 1,000.11 | (135.53) | |

(iii) (a) During the year, the Company has provided loans to its employees as follows:

| Particulars | Loans (₹ in crores) |
|---|---|
| **Aggregate amount granted/ provided during the year** | |
| - Others (loan to employees) | 4.71 |
| **Balance outstanding as at balance sheet date in respect of above cases** | |
| - Others (loan to employees) | 2.94 |

Apart from above, during the year, the Company has not provided advances in the nature of loans, stood guarantees or provided security to companies, firms, Limited Liability Partnerships or other parties hence not commented upon.

(iii) (b) During the year the investments made in respect of mutual funds, investment made in subsidiaries, associates, and joint venture and the terms and condition of grant of loan to its employees and investment made are not prejudicial to the Company's interest. During the year, the Company has not provided guarantees, provided securities and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties (other than mentioned above), hence not commented upon.

(iii) (c) The Company has granted loans in the nature of loan to employees during the year where the schedule of repayment of principle and payment of interest, wherever applicable has been stipulated and the repayment or receipts are regular.

(iii) (d) There are no amounts of loans and advances in nature of loan to employees which are outstanding for more than 90 days.

(iii) (e) There are no loans to employees which was fallen due during the year, that have been renewed or extended or fresh loan granted to settle overdue of existing loan given to same parties.

(iii) (f) During the year, 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 companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments and guarantees, in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company. The Company has not provided securities hence not commented upon.

(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 auto ancillary products manufactured by the Company and related services and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

**ANNEXURE '1' (Contd.)**

(vii) (a) Undisputed statutory dues including 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 have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. 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 have not been deposited on account of any dispute, are as follows:

| Name of the Statute | Nature of the Dues | Amount (Rs. in crores) | Amount paid under protest (Rs. in crores) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| Central Excise Act, 1944 | Excise Duty | 4.44 | - | 2007-08 to 2018-19 | DGGSTI, New Delhi |
| Central Excise Act, 1944 | Excise Duty | 0.03 | - | 2009-10 to 2011-12 | Deputy Commissioner |
| Central Excise Act, 1944 | Excise Duty | 0.08 | - | 2007-08 to 2012-13 | Deputy Commissioner |
| Custom Act, 1962 | Custom Duty | 0.26 | - | 2018-19 | Commissioner Custom |
| SGST Act, 2017 | GST | 0.04 | - | 2017-18 | Commissioner |
| Cenvat Credit Rules, 2004 | Service Tax | 0.30 | - | 2008-09 | CIT(A) |
| Cenvat Credit Rules, 2004 | Service Tax | 0.02 | - | 2008-09 | CESTAT |
| Cenvat Credit Rules, 2004 | Service Tax | 0.02 | - | 2012-13 to 2016-17 | CESTAT |
| Value added tax | Value added tax | 63.53 | - | 2012-13 to 2016-17 | Commissioner |
| Income-tax Act, 1961 | Income Tax | 0.13 | - | 2016-17 | CIT(A) |
| Income-tax Act, 1961 | Income Tax | 0.45 | - | 2013-14 | ITAT |
| Income-tax Act, 1961 | Income Tax | 0.10 | - | 2008-09 | ITAT |
| Income-tax Act, 1961 | Income Tax | 3.15 | 3.15 | 2016-17 | CIT(A) |
| Income-tax Act, 1961 | Income Tax | 0.74 | 0.74 | 2017-18 | CIT(A) |

(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) Term loans were applied for the purpose for which the loans were obtained.

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

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(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 in clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company complied with provision of section 42 and 62 of the Companies Act 2013 in respect of private placement and preferential allotment of equity shares and 0.01% non-convertible redeemable preference shares respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi) (a) No fraud by the Company or no 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, 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.

**ANNEXURE '1' (Contd.)**

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) 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) of the Order is not applicable to the Company.

(xii) (b) 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)(b) of the Order is not applicable to the Company.

(xii) (c) 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)(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 standalone 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 is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and in the 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 40 to the standalone 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 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 28 to the financial statements.

(xx) (b) All amounts that are unspent under Section 135(5) of the Companies Act pursuant to any ongoing project has been 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 28 to the financial statements.

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTOS6101

Place: New Delhi
Date: May 24, 2022

# ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MINDA INDUSTRIES 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 standalone financial statements of Minda Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone 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 Internal 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 standalone 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 Act, to the extent applicable to an audit of internal financial controls, 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 the ICAI.

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTOS6101

Place: New Delhi
Date: May 24, 2022

# STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

| Particular | Notes | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **I Non-current assets** | | | |
| Property, plant and equipment | 3 | 1,054.83 | 1,031.78 |
| Right of use assets | 4 | 104.60 | 91.48 |
| Capital work in progress | 3 | 93.40 | 59.77 |
| Goodwill | 5 | 31.39 | 31.39 |
| Other Intangible assets | 5 | 129.36 | 110.16 |
| Intangible assets under development | 5 | 0.18 | 20.83 |
| **Financial assets** | | | |
| (i) Investment in subsidiaries, associates, joint ventures and others | 6(A) | 1,194.10 | 1,131.93 |
| (ii) Other bank balances | 6(E) | 0.61 | 0.46 |
| (iii) Other financial assets | 6(F) | 16.95 | 19.92 |
| Other non-current assets | 8 | 14.57 | 18.78 |
| Non-current tax assets | 9 | 25.39 | 20.64 |
| **Total non-current assets** | | **2,665.38** | **2,537.14** |
| **II Current assets** | | | |
| Inventories | 7 | 472.00 | 369.87 |
| **Financial assets** | | | |
| (i) Investments | 6(B) | 10.00 | - |
| (ii) Trade receivables | 6(C) | 877.98 | 685.32 |
| (iii) Cash and cash equivalents | 6(D) | 56.42 | 74.31 |
| (iv) Bank balances other than (iii) above | 6(E) | 6.41 | 5.16 |
| (v) Other financial assets | 6(F) | 29.78 | 11.79 |
| Other current assets | 8 | 138.36 | 118.91 |
| **Total current assets** | | **1,590.95** | **1,265.36** |
| **Total assets** | | **4,256.33** | **3,802.50** |
| **EQUITY AND LIABILITIES** | | | |
| **I Equity** | | | |
| Equity share capital | 10 | 57.12 | 54.39 |
| Other equity | 11 | 2,598.98 | 1,593.46 |
| **Total equity** | | **2,656.10** | **1,647.85** |
| **Liabilities** | | | |
| **II Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 12(A) | 82.89 | 292.46 |
| (ii) Lease liabilities | 12(B) | 34.13 | 16.94 |
| (iii) Other financial liabilities | 12(D) | - | 8.04 |
| Provisions | 13 | 54.89 | 67.45 |
| Deferred tax liabilities (net) | 14 | 29.52 | 17.87 |
| **Total non-current liabilities** | | **201.43** | **402.76** |
| **III Current liabilities** | | | |
| Contract liabilities | 15 | 80.84 | 31.01 |
| Financial liabilities | | | |
| (i) Borrowings | 12(A) | 255.77 | 355.36 |
| (ii) Lease liabilities | 12(B) | 4.33 | 6.62 |
| (iii) Trade payables | | | |
| (a) total outstanding dues of micro enterprises and small enterprises | 12(C) | 120.96 | 142.38 |
| (b) total outstanding dues of creditors other than micro and small enterprises | 12(C) | 747.37 | 637.91 |
| (iv) Other financial liabilities | 12(D) | 62.45 | 504.94 |
| Other current liabilities | 16 | 49.86 | 53.10 |
| Provisions | 13 | 61.14 | 20.57 |
| Current tax liabilities | 17 | 16.08 | - |
| **Total current liabilities** | | **1,398.80** | **1,751.89** |
| **Total Liabilities** | | **1,600.23** | **2,154.65** |
| **Total Equity and Liabilities** | | **4,256.33** | **3,802.50** |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

| | | Notes | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|---|
| I | **Income** | | | |
| | Revenue from operations | 18 | 4,959.73 | 3,700.64 |
| | Other income | 19 | 79.92 | 54.62 |
| | **Total income** | | **5,039.65** | **3,755.26** |
| II | **Expenses** | | | |
| | Cost of raw materials and components consumed | 20 | 2,639.34 | 1,994.40 |
| | Purchases of stock in trade | 21 | 685.52 | 465.47 |
| | Change in inventories of finished goods, stock in trade and work-in-progress | 22 | (20.41) | (38.51) |
| | Employee benefits expense | 23 | 633.47 | 484.05 |
| | Finance costs | 24 | 33.94 | 38.53 |
| | Depreciation and amortisation expense | 25 | 190.52 | 177.85 |
| | Other expenses | 26 | 590.01 | 456.03 |
| | **Total expenses** | | **4,752.39** | **3,577.82** |
| III | **Profit before exceptional items and tax** | | **287.26** | **177.44** |
| | Exceptional items | 6 | (24.98) | (10.00) |
| IV | **Profit before tax** | | **262.28** | **167.44** |
| V | **Income tax expense** | 14 | | |
| | Current tax | | 67.72 | 31.73 |
| | Deferred tax charge/(credit) | | (1.47) | 16.73 |
| | **Total tax expense** | | **66.25** | **48.46** |
| VI | **Profit for the year** | | **196.03** | **118.98** |
| VII | **Other comprehensive income** | | | |
| | **Items that will not be reclassified to profit or loss in subsequent periods** | | | |
| | (i) Remeasurements gains/(losses) on defined benefit plans | | (1.23) | 3.95 |
| | (ii) Income tax effect on above | | 0.43 | (1.29) |
| | **Other comprehensive income/(loss) for the year, net of tax** | | **(0.80)** | **2.66** |
| VIII | **Total comprehensive income for the year, net of tax** | | **195.23** | **121.64** |
| IX | **Earnings per equity share [nominal value of share ₹ 2 (Previous year ₹ 2)]** | 30 | | |
| | Basic earning per share(₹) | | 6.97 | 4.45 |
| | Diluted earning per share(₹) | | 6.94 | 4.27 |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

| | Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| A | Cash flows from operating activities : | | |
| | Profit before tax | 262.28 | 167.44 |
| | **Adjustments to reconcile profit before tax to net cash flows:** | | |
| | Depreciation and amortisation expense | 190.52 | 177.85 |
| | Interest income on bank deposits and others | (14.78) | (1.99) |
| | Liabilities / provisions no longer required written back | (6.49) | (1.26) |
| | Dividend income from non-current investments | (33.65) | (19.98) |
| | Share of profit from partnership firms | (13.75) | (8.50) |
| | Employee stock option expense | 25.36 | 1.05 |
| | Provision for impairment of investment in subsidiary | 24.98 | 10.00 |
| | Amortisation of government grants | (18.62) | - |
| | Finance costs | 33.94 | 38.53 |
| | Unrealised foreign exchange loss /(gain) (net) | 1.88 | 2.21 |
| | Provision for impairment of trade receivable and other assets provided for / (written back) | (3.85) | 4.47 |
| | Change in financial assets measured at fair value through profit and loss | (2.52) | (0.55) |
| | Profit on sale of current investment | (2.90) | (4.30) |
| | Net profit on sale of property, plant and equipment | (3.91) | (4.47) |
| | **Operating Profit before working capital changes** | **438.49** | **360.50** |
| | **Movement in working capital** | | |
| | (Increase)/ decrease in inventories | (102.13) | (85.07) |
| | (Increase)/ decrease in trade receivables | (190.89) | (149.02) |
| | (Increase)/ decrease in financial assets | (11.02) | 4.39 |
| | (Increase)/ decrease in other non-financial assets | (20.24) | (15.69) |
| | Increase/ (decrease) in trade payables | 94.84 | 69.35 |
| | Increase/ (decrease) in other financial liabilities | 56.75 | 3.54 |
| | Increase/ (decrease) in other liabilities | 4.50 | (6.44) |
| | Increase/ (decrease) in provisions | 27.59 | 2.47 |
| | **Cash generated from operations** | **297.89** | **184.03** |
| | Income tax paid (net of refund) | (42.85) | (27.71) |
| | **Net Cash flows from operating activities (A)** | **255.04** | **156.32** |
| **B** | **Cash flows from investing activities** | | |
| | Payment for purchase of investment in subsidiaries, associates and joint venture | (73.40) | (104.47) |
| | Proceed /(payment) on change in other investment | (10.00) | 27.74 |
| | Purchase of property, plant and equipment and intangible assets | (215.92) | (222.84) |
| | Proceeds from sale of property, plant and equipment and intangible assets | 5.22 | 10.36 |
| | Settlement of purchase consideration | (115.00) | - |
| | Interest received on bank deposits | 2.82 | 2.12 |
| | Dividend from subsidiaries, associates and joint venture | 33.65 | 19.98 |
| | Investment in fixed deposit matured /(made) | (0.75) | 8.50 |
| | **Net cash used in investing activities (B)** | **(373.38)** | **(258.61)** |

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

| Particulars | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| C. | **Cash flows from financing activities** | | |
| | Proceeds from issue of equity share capital | 1.94 | 1.95 |
| | Proceed from securities premium on issue of shares under Rights Issue | - | 235.31 |
| | Securities premium on issue of equity shares | 688.06 | - |
| | Payment on redemption of 0.01% Non-convertible redeemable Preference Shares | (212.34) | - |
| | Payment on acquisition of non-controlling interest | - | (52.00) |
| | Proceeds from/ (repayment of) short term borrowings (net) | (69.35) | 98.93 |
| | Repayment of long term borrowings | (269.93) | (177.64) |
| | Proceeds from long term borrowings | 30.00 | - |
| | Interest paid on borrowings | (29.32) | (38.03) |
| | Payment of interest portion of lease liabilities | (2.47) | (2.18) |
| | Payment of principal portion of lease liabilities | (7.73) | (5.49) |
| | Payment of dividend | (28.49) | (9.52) |
| | **Net cash used in financing activities (C)** | **100.37** | **51.33** |
| | **Net Increase/ (decrease) in cash and cash equivalents(A+B+C)** | **(17.97)** | **(50.96)** |
| | **Cash and cash equivalents as at beginning** | 74.31 | 125.27 |
| | Effects of exchange rate changes on cash and cash equivalents | 0.08 | - |
| | **Cash and cash equivalents at the end of the year** | **56.42** | **74.31** |

**Notes**

1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

| | | | |
|---|---|---|---|
| 2 | **Components of cash and cash equivalents** | | |
| | Balances with banks | | |
| | In current / cash credit accounts | 55.50 | 61.66 |
| | Deposits with a original maturity of less than three months | 0.50 | 12.35 |
| | Cash on hand | 0.42 | 0.30 |
| | **Cash and cash equivalents at the end of the year** | **56.42** | **74.31** |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) **Equity share capital**

| Particulars | Nos. | Amount |
|---|---|---|
| **Balance as at 1 April 2020** | 26,22,16,965 | **52.44** |
| Issue of equity shares under right issue | 97,11,739 | 1.95 |
| **Balance as at 31 March 2021** | **27,19,28,704** | **54.39** |
| Issue of equity shares on settlement of consideration payable | 39,69,737 | 0.79 |
| Issue of equity shares under preferential allotment | 97,22,000 | 1.94 |
| **Balance as at 31 March 2022** | **27,58,98,441** | **57.12** |

(b) **Other equity**

| Particulars | Equity component of other financial instruments | Securities premium | Capital redemption reserve | Capital reserves | Capital reserves arising on amalgamation | General reserves | Employee stock options reserve | Shares pending Issuance | Retained earnings | Total other equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **As at 1 April 2020** | **6.55** | **357.20** | **18.39** | **2.28** | **26.56** | **64.03** | **1.20** | **52.00** | **768.77** | **1,296.98** |
| **Profit for the year** | - | - | - | - | - | - | - | - | 118.98 | 118.98 |
| **Other comprehensive income for the year** | | | | | | | | | | |
| Re-measurement gains / (losses) on defined benefit plans net of tax | - | - | - | - | - | - | - | - | 2.66 | 2.66 |
| **Total Comprehensive income for the year** | - | - | - | - | - | - | - | - | **121.64** | **121.64** |
| **Transactions with owners in their capacity as owners:** | | | | | | | | | | |
| Security premium on issue of shares under right issue | - | 240.85 | - | - | - | - | - | - | - | 240.85 |
| Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | - | (2.41) | - | - | - | - | - | - | - | (2.41) |
| Purchase of non controlling interest | - | (3.13) | - | - | - | - | - | (52.00) | - | (55.13) |
| Employee stock compensation expense | - | - | - | - | - | - | 1.05 | - | - | 1.05 |
| Interim dividend for the year ended 31 March 2021 | - | - | - | - | - | - | - | - | (9.52) | (9.52) |
| **As at 31 March 2021** | **6.55** | **592.51** | **18.39** | **2.28** | **26.56** | **64.03** | **2.25** | - | **880.89** | **1,593.45** |
| **Profit for the year** | - | - | - | - | - | - | - | - | 196.03 | 196.03 |
| **Other comprehensive income for the year** | | | | | | | | | | |
| Re-measurement gains / (losses) on defined benefit plans net of tax | - | - | - | - | - | - | - | - | (0.80) | (0.80) |
| **Total Comprehensive income for the year** | - | - | - | - | - | - | - | - | **195.23** | **195.23** |

## STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in ₹ Crores, unless otherwise stated)

| Particulars | Equity component of other financial instruments | Securities premium | Capital redemption reserve | Capital reserves | Capital reserves arising on amalgamation | General reserves | Employee stock options reserve | Shares pending Issuance | Retained earnings | Total other equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **Transactions with owners in their capacity as owners:** | | | | | | | | | | |
| Security premium on issue of shares under preferential allotment to qualified institutional buyers | - | 698.04 | - | - | - | - | - | - | - | 698.04 |
| Security premium on issue of equity shares on settlement of consideration payable | - | 125.43 | - | - | - | - | - | - | - | 125.43 |
| Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | - | (9.98) | - | - | - | - | - | - | - | (9.98) |
| Employee stock compensation expense | - | - | - | - | - | - | 25.36 | - | - | 25.36 |
| Interim dividend for the year ended 31 March 2022 | - | - | - | - | - | - | - | - | (28.56) | (28.56) |
| **As at 31 March 2022** | **6.55** | **1,406.00** | **18.39** | **2.28** | **26.56** | **64.03** | **27.61** | **-** | **1,047.56** | **2,598.98** |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# NOTES TO STANDALONE FINANCIAL STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2022**

## 1 CORPORATE INFORMATION

Minda Industries Limited is a public company limited by shares, incorporated and domiciled and headquartered in India. It was incorporated on September 16, 1992 under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited and BSE Limited having its registered office at B64/1 Wazirpur, Industrial Area, Delhi-110052, India.

The Company is engaged in the business of manufacturing of auto components including lighting, alloywheels, horns, seating systems, seatbelts, switches, sensors, controllers, handle bar assemblies, wheel covers etc. The company caters to both 2 wheelers and 4 wheelers markets and domestic & international markets. The standalone financial statements were approved for issue in accordance with a resolution of the directors on May 24, 2022.

## 2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

**New and amended standards adopted by the Company**
The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, and Ind AS 116, Leases.
- Amendment to Ind AS 105, Ind AS 16 and Ind AS 28
- Conceptual framework for financial reporting under Ind AS issued by ICAI.

The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### 2.01 Basis of preparation of Standalone Financial Statements

The standalone financial statements of the company 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 these standalone financial statements. These standalone financial statements are presented in INR and all values are rounded to the nearest crores (INR 0,000,000), except when otherwise indicated.

The company has prepared the financial statements on the basis that it will continue to operate as going concern. These policies have been consistently applied to all the years presented, unless otherwise stated.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities

(i) Certain financial assets and liabilities that is measured at fair value

(ii) Assets held for sale-measured at fair value less cost to sell

(iii) Defined benefit plans-plan assets measured at fair value

(iv) Share based payments

### 2.02 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non current.

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.03 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

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 profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognized 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 income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method/ written down method as applicable, using the useful lives as technically assessed by the management which is as below with respect to significant class of property, plant and equipments. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

| Name of assets | Useful life as assessed by the management | Life in years as per schedule II of Companies Act, 2013 |
|---|---:|---:|
| Building | | |
| Factory building | 30 | 30 |
| Non-factory building | 60 | 60 |
| Computers including networking equipments | 3-6 | 3-6 |
| Plant and machinery | | |
| Plant and machinery | 8-15 | 15 |
| Dies and tools | 3-6 | 15 |
| Furniture and fittings | 10 | 10 |
| Office equipment | 5 | 5 |
| Vehicles | 8 | 8 |

The useful lives have been determined based on technical evaluation done by the management in order to reflect the actual usage of assets.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their lease term. Leasehold land is amortized on a straight line basis over the unexpired period of their respective lease period.

### 2.04 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### 2.05 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is 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 is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortized on a straight line basis over their estimated useful life as under:

| Assets | Useful life |
|---|---|
| Trademark | 10 years |
| Technical know how | 6 years |
| Computer software | 3-6 years |
| Customer relationship | 10 years |

**Research and development cost**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

**Trademarks**

Brand and Trademarks acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, brand and trademark are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any.

**Customer relationship**

Customer relationship acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, customer relationship is carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. They are amortised on a straight line basis over their estimated useful life of 10 years assessed by the management.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**Goodwill**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained

### 2.06 Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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 four to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the forecast period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at March 31 or when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

## 2.07 Financial instruments

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

### (i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortized cost

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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

**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 Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, 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 are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "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.

**Subsequent measurement**

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

**Financial assets at amortised cost (debt instruments)**

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

a) **Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

b) **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized 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 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 effective interest rate, 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. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

**Financial assets at fair value through OCI (FVTOCI) (debt instruments)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and

b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

**Embedded Derivatives**

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**Derecognition**

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

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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.

**Impairment of financial assets**

In accordance with IND AS 109, the Company applies expected credit losses( ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For recognition of impairment loss on financial assets other than mentioned below and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical 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 income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

(a) **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**(b) Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.

**(c) Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

**(ii) 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, and payables, net of directly attributable transaction costs. 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 financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

**Subsequent measurement**

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

(i) Financial liabilities at fair value through profit or loss

(ii) Financial liabilities at amortised cost (loans and borrowings)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivate are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and 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/ loss are not subsequently transferred to 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 recognized in the statement of profit or loss. the Company has not designated any financial liability as at fair value through profit and loss.

**Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

**Trade Payables**

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

**Derecognition**

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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**Offsetting of financial instruments**

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**Reclassification of financial assets/ financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment |
|---|---|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in profit or loss. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss the reclassification date. |

### 2.08 Derivative financial instruments and hedge accounting

**Initial recognition and subsequent measurement**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

**(i) Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

## 2.09 Compound financial instruments

Compound financial instruments issued by the Company comprise cumulative redeemable preference shares denominated in Ruppees that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary. Compound financial instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

## 2.10 Investment in Subsidiaries, associates and joint venture

The investment in subsidiary, associates and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

## 2.11 Inventories

**a) Basis of valuation:**

i) Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. The comparison of cost and net realizable value is made on an item-by-item basis.

**b) Method of Valuation:**

i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis

iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and 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.

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

## 2.12 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Company treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset

ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)

iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

## 2.13 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense for the year comprises of current tax and deferred tax.

**a) Current income tax**

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity).Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

**b) Deferred Tax**

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or 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

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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:

i) 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.

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognised in profit or loss.

### 2.14 Revenue from contract with customers

The Company manufactures and trades variety of auto components products. 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer. A receivable is recognized when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

**Revenue from sales of products**

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

**Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of equipment provide customers with a right of return the goods within a specified period. The Company also provides retrospective volume rebates to certain customers once the quantity of electronic equipment purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

**Warranty obligations**

The Company generally provides for warranties for general repair of defects that existed at the time of sale. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets).

**Significant Financing Components**

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

**Sale of service**

The Company recognizes revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from services related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties

**Revenue from assembly of components**

The Company has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Company is acting as an agent in these arrangements. When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

**Contract assets**

Contract assets is right to consideration in exchange for goods or services transferred to the customer and performance obligation satisfied. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the attached condition and acceptance by the customer, the amounts recognised as contract assets is reclassified to trade receivables upon invoicing. A receivables represents the Company's right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Trade receivables**

A trade receivable is recognised if an amount of consideration that 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 (Financial instruments). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

## 2.15 Other Operating Revenues

**Export incentives**

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognized on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

**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.

**Royalty income**

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements

## 2.16 Other Income

**Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

**Rental Income**

Rental income is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

**Dividend income**

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

**Share of profit from partnerships**

Share of profit from partnership is recognised on accrual basis.

## 2.17 Retirement and other employee benefits

**Short-term obligations**

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid at undiscounted value when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Defined benefit plan - Gratuity and pension fund**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust with its investments maintained with Life insurance Corporation of India. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

b) Net interest expense or income

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 recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Defined contribution plan - Provident fund and employee state insurance**

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 through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as 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 excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

**Other long term employee benefit - Componsated absence**

Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**Other Long term incentive plan - Employee stock option plan**

The Company provides long term incentive plan to employees via equity settled share based payments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock option reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

### 2.18 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. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

i) **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 underlying 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. The right-of-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

ii) **Lease Liabilities**

At the commencement date of the lease, 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., 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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Companies' lease liabilities are included in other current and non-current financial liabilities. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(iii) **Short-term leases and leases of low-value assets** The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor** Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### 2.20 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

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

### 2.21 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

### 2.22 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 2.23 Foreign currency translation

**(i)** *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

**(ii)** *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing 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.

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.

**(iii)** *Exchange differences*

Exchange differences arising on settlement of transactions or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which 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 recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively). Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

### 2.24 Provisions and Contingent Liabilities

**Provisions**

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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 the passage of time is recognized as a finance cost.

**Warranty Provisions**

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

**Contingent liabilities**

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

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### 2.25 Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, 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.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.26 Fair value measurement

The Company measures financial instruments 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 ordinary 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 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 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 minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

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

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.

### 2.27 Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquire. For each business combination, the Company elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment. Any contingent consideration is easured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Standalone Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Company, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

(a) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against revenue reserve.

(e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

(f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to revenue reserves/ capital reserves.

### 2.28 Significant accounting judgments, estimates and assumptions

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

**a) Company as a leases**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**b) Taxes**

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships 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.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**c) Defined benefit plans and other long term incentive plan**

The cost of defined benefit plans and leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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 India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 31.

**d) Fair value measurement of financial instrument**

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

**e) 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 judgment 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.

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

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

**g) Provision for warranty**

Provisions for warranties is 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 very unlikely that actual warranty claims will exactly match the historical warrant percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

**h) Provision for expected credit losses (ECL) of trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Notes

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**i) Property, Plant and Equipment and intangible assets**

Property, Plant and Equipment and intangible assets represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

**j) Intangible asset under development**

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 March 2022, the carrying amount of capitalised intangible asset under development was ₹ 0.18 crores lacs (31 March 2021: ₹ 20.83 crores). This amount includes significant investment in the development of an innovative components.

**k) Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**l) Revenue from contracts with customers**

The Company applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer accounting policy on revenue from contract with customers.

### 2.29 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021. Consequent to above, the Company has changed the classification/ presentation of (i) current maturities of long-term borrowings; (ii) security deposits, in the current year as follows:

(i) The current maturities of long-term borrowings has now been included under the "short term borrowing " line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

(ii) Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

| Balance sheet (extract) | 31 March 2021 (as previously reported) | Increase/ (Decrease) | 31 March 2021 (restated) |
|---|---|---|---|
| Other financial liability | 638.44 | (133.50) | 504.94 |
| Short term borrowing | 221.86 | 133.50 | 355.36 |
| Other financial assets (non-current) | - | 19.92 | 19.92 |
| Loan (non-current) | 19.92 | (19.92) | - |
| Other financial assets (current) | 11.62 | 0.17 | 11.79 |
| Loan (current) | 0.17 | (0.17) | - |

Previous year numbers have been regrouped wherever considered necessary to conform to the current year's classification. These did not have any impact on statement of profit and loss and earning per share.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.30 Standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(i) **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37:** The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. 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. The amendments are effective for annual reporting periods beginning on or after 1 April 2022.

The amendments are not expected to have a material impact on the Company.

(ii) **Reference to the Conceptual Framework – Amendments to Ind AS 103:** 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. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iii) **Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16:** 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. The amendments are not expected to have a material impact on the Company.

(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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 3 PROPERTY, PLANT AND EQUIPMENT

| Particulars | Freehold land | Buildings | Plant and Machinery | Furniture and fittings | Vehicles | Office equipment | Computers | Total | Capital work in progress | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | | |
| **As at 01 April 2020** | **111.70** | **223.12** | **780.79** | **13.00** | **12.33** | **14.86** | **25.22** | **1,181.02** | **199.64** | **1,380.66** |
| Additions during the year | - | 62.06 | 283.78 | 1.68 | 0.66 | 1.23 | 2.35 | 351.76 | 211.23 | 562.99 |
| Disposals/ adjustments | - | (0.14) | (10.49) | (0.16) | (1.80) | (0.24) | (0.70) | (13.53) | (351.10) | (364.63) |
| **As at 31 March 2021** | **111.70** | **285.04** | **1,054.08** | **14.52** | **11.19** | **15.85** | **26.87** | **1,519.25** | **59.77** | **1,579.02** |
| Additions during the year | 9.47 | 9.15 | 156.17 | 1.24 | 1.90 | 1.31 | 5.04 | 184.28 | 87.81 | 272.09 |
| Disposals/ adjustments | (0.51) | - | (23.78) | (0.37) | (2.80) | (0.26) | (1.12) | (28.84) | (54.18) | (83.02) |
| **As at 31 March 2022** | **120.66** | **294.19** | **1,186.47** | **15.39** | **10.29** | **16.90** | **30.79** | **1,674.69** | **93.40** | **1,768.09** |
| **Accumulated depreciation** | | | | | | | | | | |
| **As at 1 April 2020** | **-** | **24.05** | **304.40** | **4.58** | **4.98** | **5.81** | **13.36** | **357.18** | **-** | **357.18** |
| Depreciation charge for the year | - | 10.78 | 118.38 | 1.51 | 1.40 | 2.66 | 5.54 | 140.27 | - | 140.27 |
| Disposals/ adjustments | - | (0.07) | (8.08) | (0.11) | (0.92) | (0.19) | (0.61) | (9.98) | - | (9.98) |
| **As at 31 March 2021** | **-** | **34.76** | **414.70** | **5.98** | **5.46** | **8.28** | **18.29** | **487.47** | **-** | **487.47** |
| Depreciation charge for the year | - | 11.07 | 137.99 | 1.36 | 1.20 | 2.14 | 4.41 | 158.17 | - | 158.17 |
| Disposals/ adjustments | - | - | (22.24) | (0.35) | (1.89) | (0.24) | (1.06) | (25.78) | - | (25.78) |
| **As at 31 March 2022** | **-** | **45.83** | **530.45** | **6.99** | **4.77** | **10.18** | **21.64** | **619.86** | **-** | **619.86** |
| **Net Carrying amounts** | | | | | | | | | | |
| **As at 31 March 2021** | **111.70** | **250.28** | **639.38** | **8.54** | **5.73** | **7.57** | **8.58** | **1,031.78** | **59.77** | **1,091.55** |
| **As at 31 March 2022** | **120.66** | **248.36** | **656.02** | **8.40** | **5.52** | **6.72** | **9.15** | **1,054.83** | **93.40** | **1,148.23** |

**Notes:**

**(a)** Refer note 12 for property, plant and equipment pledged/hypothecated as security for borrowing by the company.

**(b)** Refer note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**(c)** The amount of borrowing costs capitalised during the year ended 31 March 2022 was ₹Nil (31 March 2021: ₹4.25 Crores). The rate used to determine the amount of borrowing costs eligible for capitalisation was Nil (31 March 2021: 8.30%) which is the effective interest rate of the specific borrowing. No borrowing costs are capitalised on other items of property, plant and equipment under construction.

**(d)** The title deeds of immovable properties in the nature of freehold land included in property, plant and equipment and leasehold land included under right of use (refer note 4) are not held in the name of the Company for the below mentioned cases as at 31 March 2022 and 31 March 2021:

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Relevant line item in the Balance sheet | Description of item of property | Gross carrying value (₹ Crores) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative / employee of promoter/ director | Property held since | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|---|
| Property, plant and equipment | Freehold land | 0.45 | Minda Fiamm Acoustic Limited | No | January 27, 2011 | The title deeds of these immovable properties in the nature of freehold land and leasehold land were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) and are not individually held in the name of the Company, however the deed of merger has been registered by the Company: |
| Property, plant and equipment | Freehold land | 14.69 | MJ Casting Limited | No | June 01, 2011 | |
| Property, plant and equipment | Freehold land | 2.39 | MJ Casting Limited | No | June 01, 2011 | |
| Property, plant and equipment | Freehold land | 1.02 | Minda Rinder Private Limited | No | June 01, 2011 | |
| Property, plant and equipment | Freehold land | 3.03 | Rinder India Private Limited | No | June 01, 2011 | |
| Property, plant and equipment | Freehold land | 0.37 | Minda Auto Industries Private Limited | No | May 28, 2010 | |
| Right of use assets | Leasehold land | 0.39 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 0.52 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 5.41 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 5.23 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 0.10 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 0.58 | Harita Seatings Systems Limited | No | February 01, 2021 | |
| Right of use assets | Leasehold land | 0.16 | Harita Seatings Systems Limited | No | February 01, 2021 | |

**(e)** Title deed of immovable properties where the company is the lessee, the lease agreements are duly executed in favour of the lessee

**(f)** Capital work in progress as at 31 March 2022 includes assets under construction at various plants including capitalisation of plant for lighting division of the Company. Adjustment in relation to capital work in progress relates to addition in property, plant and equipment made during the year.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(g) Ageing of capital work-in-progress is as below:**

**As at 31 March 2022**

| Particulars | Amounts in capital work in progress for | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 86.97 | 6.17 | 0.20 | 0.06 | **93.40** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **86.97** | **6.17** | **0.20** | **0.06** | **93.40** |

**As at 31 March 2021**

| Particulars | Amounts in capital work in progress for | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 48.60 | 7.51 | - | 3.66 | **59.77** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **48.60** | **7.51** | **-** | **3.66** | **59.77** |

**(i)** There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

## 4 RIGHT OF USE ASSETS AND LEASES LIABILITIES

(i) Right of use assets: The Company's lease asset primarily consist of :

(a) Leasehold building representing the properties taken on lease for offices and warehouse having lease terms between 3 to 30 years

(b) Leasehold plant and equipment representing the leases for various equipment used in its operations having lease terms between 1 to 5 years

(c) Lesaehold land represents land obtained on long term lease from various Government authorities.

The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases with lease terms of 12 months or less. The Company has applied the 'short-term lease' recognition exemptions for these leases.

(ii) The following is carrying value of right of use assets and movement thereof:

| Particulars | Leasehold Land | Leasehold Building | Leasehold Plant and equipments | Total |
|---|---|---|---|---|
| **As at 1 April 2020** | **73.04** | **28.20** | **0.50** | **101.74** |
| Additions during the year | - | - | 7.54 | 7.54 |
| Disposal during the year | - | (2.33) | - | (2.33) |
| **As at 31 March 2021** | **73.04** | **25.87** | **8.04** | **106.95** |
| Additions during the year | - | 31.37 | - | 31.37 |
| Disposal during the year | - | (17.71) | (0.16) | (17.87) |
| **Balance as at 31 March 2022** | **73.04** | **39.53** | **7.88** | **120.45** |
| **Accumulated depreciation** | | | | |
| **As at 1 April 2020** | **0.87** | **5.87** | **0.42** | **7.16** |
| Depreciation for the year | 0.72 | 5.97 | 1.62 | 8.31 |
| **As at 31 March 2021** | **1.59** | **11.84** | **2.04** | **15.47** |
| Depreciation for the year | 0.84 | 3.36 | 2.38 | 6.58 |
| Disposal during the year | - | (6.04) | (0.16) | (6.20) |
| **As at 31 March 2022** | **2.43** | **9.16** | **4.26** | **15.85** |
| **Carrying amounts (net)** | | | | |
| **As at 31 March 2021** | **71.45** | **14.03** | **6.00** | **91.48** |
| **As at 31 March 2022** | **70.61** | **30.37** | **3.62** | **104.60** |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

(iii) The movement in lease liablities is as follows:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Balance at the begnning | 23.56 | 29.51 |
| Addition during the year | 31.37 | 7.54 |
| Deletion during the year | (8.68) | (8.00) |
| Finance cost accrued during the year | 2.41 | 2.18 |
| Payment of lease liabilities | (10.20) | (7.67) |
| **Balance at the end** | **38.46** | **23.56** |
| Current maturities of lease liabilities | 4.33 | 6.62 |
| Non-current lease liabilities | 34.13 | 16.94 |

(iv) **Amount recognised in the statement of Profit and loss during the year:**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Depreciation charge of right of use assets | 6.58 | 8.31 |
| Finance cost incurred during the year | 2.41 | 2.18 |
| Expense related to short term leases (inlcuded in other expenses) | 22.59 | 19.27 |
| **Total** | **31.58** | **29.76** |

(v) **Maturity analysis of undiscounted lease liabilties**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Payable within one year | 8.67 | 6.49 |
| Payable between one to five years | 16.72 | 8.24 |
| Payable after five years | 47.73 | 47.26 |
| **Total** | **73.12** | **61.99** |

(vi) The weighted average incremental borrowing rate applied to lease liabilites is 7-8%

(vii) The Company does not face significant liquidity risk with regard to its lease liabilities as the current are sufficient to meet the obligation related to lease liabilties as and when they fall due

(viii) Non-cash investing activies during the year

| | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Acquisition of right of use assets | 31.37 | 7.54 |
| Disposal of right of use assets | (11.67) | (2.33) |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 5 GOODWILL AND OTHER INTANGIBLE ASSETS

| Particulars | Trade Mark | Technical Knowhow | Computer Software | Customer Relationship | Total other intangible assets | Goodwill | Intangible asset under development | Total intangible assets |
|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | |
| **As at 1 April 2020** | **3.09** | **66.94** | **32.70** | **62.60** | **165.33** | **31.39** | **19.92** | **216.64** |
| Additions during the year | - | 20.23 | 2.70 | - | 22.93 | - | 21.14 | 44.07 |
| Disposals/adjustments | - | (1.74) | (0.60) | - | (2.34) | - | (20.23) | (22.57) |
| **As at 31 March 2021** | **3.09** | **85.43** | **34.80** | **62.60** | **185.92** | **31.39** | **20.83** | **238.14** |
| Additions during the year | 0.20 | 38.95 | 5.93 | - | 45.08 | - | 6.17 | 51.25 |
| Disposals/adjustments | - | (1.34) | (1.29) | - | (2.63) | - | (26.82) | (29.45) |
| **As at 31 March 2022** | **3.29** | **123.04** | **39.44** | **62.60** | **228.37** | **31.39** | **0.18** | **259.94** |
| **Accumulated amortisation** | | | | | | | | |
| **As at 1 April 2020** | **2.07** | **25.17** | **13.83** | **6.99** | **48.06** | **-** | **-** | **48.06** |
| Amortisation for the year | 0.26 | 11.40 | 5.54 | 12.07 | 29.27 | - | - | 29.27 |
| Disposals/adjustments | - | (1.01) | (0.56) | - | (1.57) | - | - | (1.57) |
| **As at 31 March 2021** | **2.33** | **35.56** | **18.81** | **19.06** | **75.76** | **-** | **-** | **75.76** |
| Amortisation for the year | 0.13 | 12.73 | 4.92 | 7.99 | 25.77 | - | - | 25.77 |
| Disposals/adjustments | - | (1.30) | (1.22) | - | (2.52) | - | | (2.52) |
| **As at 31 March 2022** | **2.46** | **46.99** | **22.51** | **27.05** | **99.01** | **-** | **-** | **99.01** |
| **Net Carrying amount** | | | | | | | | |
| **As at 31 March 2021** | **0.76** | **49.87** | **15.99** | **43.54** | **110.16** | **31.39** | **20.83** | **162.38** |
| **As at 31 March 2022** | **0.83** | **76.05** | **16.93** | **35.55** | **129.36** | **31.39** | **0.18** | **160.93** |

**Note:**

**(i) Impairment testing of goodwill and intangible assets**

Goodwill of ₹ 31.39 Crores and customer relationship of ₹ 35.55 Crores acquired on business acquisition of Harita Seatings Systems Limited, have been allocated to a separate single cash generating unit (CGU) for impairment testing. The Company has performed an annual impairment test to ascertain the recoverable amount of CGU. The recoverable amount is determined based on value in use calculation. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering generally over a period of 5 years. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates. Management has determined following assumptions for impairment testing of CGU as stated below.

| Assumption | 31-Mar-22 | 31-Mar-21 | Approach used in determining value |
|---|---|---|---|
| Weighted average Cost of capital % (WACC) before tax (discount rate) | 12.40% | 17.00% | It has been determined basis risk free rate of return adjusted for equity risk premium |
| Long Term Growth Rate | 5.00% | 4.00% | This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports. |

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is no impairment of CGU of the company. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of CGU. Based on this analysis, management believes that change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(ii) Ageing of intangible asset under development is as follows:**

As at 31 March 2022

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 0.18 | - | - | - | **0.18** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **0.18** | - | - | - | **0.18** |

As at 31 March 2021

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 13.06 | 1.38 | 0.62 | 5.77 | **20.83** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **13.06** | **1.38** | **0.62** | **5.77** | **20.83** |

**(iii)** There is no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

## 6 FINANCIAL ASSETS

| | | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|---|
| (A) | **Non-Current Investments** | | | |
| | **Investment in subsidiaries, associates, joint ventures and others** | | | |
| | **Unquoted equity investments valued at cost (unless otherwise stated)** | | | |
| (i) | **Investment in subsidiaries** | | | |
| | Minda Kyoraku Limited {4,19,68,200 equity shares (31 March 2021- 41,918,600 equity shares ) of ₹10/- each, fully paid up} | | 47.90 | 47.81 |
| | Minda Kosei Aluminium Wheel Private Limited {193,061,100 equity shares (31 March 2021- 131,861,100 equity shares ) of ₹10/- each, fully paid up} | | 193.06 | 131.86 |
| | SAM Global Pte. Limited {625,000 equity shares (31 March 2021- 625,000 equity shares ) of $ 1 each, fully paid up} | | 32.92 | 32.92 |
| | PT Minda Asean Automotive (Indonesia) {67,500 equity shares (31 March 2021- 67,500 equity shares) of $ 10/- each, fully paid up} | | 22.87 | 22.87 |
| | Global Mazinkert, S.L. {2,781,991 equity shares (31 March 2021- 2,781,991 equity shares) of €1 /-each, fully paid up} | | 41.26 | 41.26 |
| | Minda Storage Batteries Private Limited {188,600,000 equity shares (31 March 2021-188,600,000 equity shares ) of ₹ 10/- each, fully paid up} | | 9.05 | 9.05 |
| | Minda Katolec Electronics Services Private Limited {1,78,85,700 equity shares (31 March 2021- 1,78,85,700 equity shares) of ₹ 10/- each, fully paid up} | | 17.89 | 17.89 |
| | Mindarika Private Limited {5,100,000 equity shares (31 March 2021- 5,100,000 equity shares ) of ₹10/- each, fully paid up} | | 101.89 | 101.89 |
| | MI Torica India Private Limited {5,400,000 equity shares (31 March 2021- 5,400,000 equity shares) of ₹ 10/- each, fully paid up} | | 8.44 | 8.44 |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

| | | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|---|
| | iSYS RTS GmbH {Refer note (c) below} {Nil equity shares (31 March 2021- 24,800 equity shares ) of €1 each, fully paid up} | | - | 51.28 |
| | UNO Minda Europe GMBH {Refer note (c) below} {18,286 equity shares (31 March 2021- Nil equity shares ) of €1 /- each, fully paid up} | | 52.60 | - |
| | Harita Fehrer Limited {2,00,98,040 equity shares (31 March 2021- 1,02,50,000 equity shares) of ₹10/- each, fully paid up} {Refer note (e)} | | 263.60 | 263.60 |
| | Uno Minda EV Systems Private Limited {25,050 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 0.03 | - |
| | Uno Minda Auto systems Private Limited {10,000 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 0.01 | - |
| | **Sub-Total (i)** | | **791.52** | **728.87** |
| **(ii)** | **Investment in associates** | | | |
| | Minda NexGenTech Limited {3,120,000 equity shares (31 March 2021 3,120,000 equity shares) of ₹10/- each, fully paid up} | | 3.12 | 3.12 |
| | Less: provision for impairment in the value of investments | | (3.12) | (3.12) |
| | Kosei Minda Aluminium Co Private Limited {2,87,37,371 equity shares (31 March 2021- 2,87,37,371 equity shares) of ₹10/- each, fully paid up} | | 16.49 | 16.49 |
| | Less: provision for impairment in the value of investments | | (8.29) | (8.29) |
| | Strongsun Renewables Private Limited {3,41,600 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 2.73 | - |
| | CSE Dakshina Solar Private Limited {2,12,000 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 1.70 | - |
| | **Sub-Total (ii)** | | **12.63** | **8.20** |
| **(iii)** | **Investment in joint venture** | | | |
| | Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) {2,774,700 equity shares (31 March 2021 2,725,000 equity shares) of ₹10/- each, fully paid up} | | 2.91 | 2.73 |
| | Roki Minda Co. Private Limited {40,924,800 equity shares (31 March 2021 40,924,800 equity shares) of ₹10/- each, fully paid up} | | 43.08 | 43.08 |
| | Minda TG Rubber Private Limited {25,766,730 equity shares (31 March 2021 25,766,730) of ₹10/- each, fully paid up} | | 25.81 | 25.81 |
| | Minda TTE Daps Private Limited {4,990,513 equity shares (31 March 2021 4,990,513 equity shares) of ₹ 10/- each, fully paid up} | | 4.99 | 4.99 |
| | Less: provision for impairment in the value of investments | | (4.99) | (4.99) |
| | Minda Onkyo India Private Limited {39,843,031 equity shares (31 March 2021 33,043,031 equity shares) of ₹ 10/- each, fully paid up} | | 39.84 | 33.04 |
| | Less: provision for impairment in the value of investments | | (29.99) | (5.01) |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| | Minda D-Ten India Private Limited {2,544,900 equity shares (31 March 2021 2,544,900 equity shares) of ₹ 10/- each, fully paid up} | 3.81 | 3.81 |
| | Denso Ten Minda India Private Limited {35,525,000 equity shares (31 March 2021 35,525,000 equity shares) of ₹ 10/- each, fully paid up} | 22.29 | 22.29 |
| | Kosei Minda Mould Private Limited {6,341,645 equity shares (31 March 2021- 6,341,645 equity shares ) of ₹ 10/- each, fully paid up} | 6.34 | 6.34 |
| | Tokai Rika Minda India Private Limited {6,53,57,143 equity shares (31 March 2021- 6,53,57,143 equity shares ) of ₹ 10/- each, fully paid up} | 65.45 | 65.45 |
| | Toyoda Gosei Minda India Private Limited {24,37,80,000 equity shares (31 March 2021- 24,37,80,000 equity shares ) of ₹ 10/- each, fully paid up} | 190.41 | 190.41 |
| | **Sub-Total (iii)** | **369.95** | **387.95** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| | **Unquoted investment in the capital of partnership firms {refer note (b) below}** | | |
| **(iv)** | **Investment in subsidiaries** | | |
| | Auto Component {Refer note (d) below and note 34} | 5.41 | - |
| | YA Auto Industries {Refer note (d) below and note 34} | 3.45 | 1.89 |
| | Samaira Engineering {Refer note (d) below and note 34} | 7.37 | - |
| | S.M. Auto Industries {Refer note (d) below and note 34} | 3.68 | - |
| | **Sub-Total (iv)** | **19.91** | **1.89** |
| **(v)** | **Investment in associates** | | |
| | Yogendra Engineering | 0.08 | 0.08 |
| | Auto Component {Refer note (d) below and note 34} | - | 4.14 |
| | **Sub-Total (v)** | **0.08** | **4.22** |
| **(vi)** | **Unquoted equity investments measured at fair value through profit and loss:** | | |
| | Minda Industria E Comercio De Autopecsa Limited {Nil equity shares (31 March 2021 25,000 equity shares) of Brazilian $ 1 each, fully paid up} | - | 0.07 |
| | Less: provision for impairment in the value of investments | - | (0.07) |
| | OPG Power Generation Private Limited {37,700 equity shares (31 March 2021 37,700 equity shares) of ₹ 11/- each, fully paid up} | 0.01 | 0.04 |
| | Life Insurance Corporation of India, Mumbai (Group annuity policy for Pension to employees) | - | 0.76 |
| | **Sub-Total (vi)** | **0.01** | **0.80** |
| **6(A)** | **Total (i) to (vi)** | **1,194.10** | **1,131.93** |
| | Aggregate value of unquoted equity investments valued at cost | 1,220.49 | 1,146.43 |
| | Aggregate value of unquoted investment in the capital of partnership firms | 19.99 | 6.11 |
| | Aggregate value of unquoted equity investments measured at fair value through profit and loss | 0.01 | 0.80 |
| | Aggregate market value of unquoted equity investments measured at fair value through profit and loss | 0.01 | 0.80 |
| | Aggregate amount of impairment in value of investments | (46.39) | (21.41) |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**Notes:**

(a) The Company is of the view that the operations of its each investee companies represent a single cash-generating unit ('CGU').The Company has identified the investments where indicators of impairment exists and performed an impairment assessment on those investments as at 31 March 2022 and 31 March 2021 to ascertain the recoverable amount of their respective CGU. The recoverable amount is determined based on value in use calculation. The Company adjusts the carrying value of the investment for the consequential impairment loss, if any. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering generally over a period of 5 years. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates. The Company has recognised the impairment loss with respect to one CGU (31 March 2021: Two CGU) where the recoverable amount was lower than the carrying value of the CGU and this resulted in an impairment charge of ₹ 24.98 Crores (31 March 2021 ₹ 10.00 Crores) recognised under 'Exceptional items" in the statement of profit and loss. Management has determined following assumptions for impairment testing of CGU as stated below:

| Particulars | 31 March 2022 | 31 March 2021 |
|---|---|---|
| Terminal growth rate | 4% - 5% | 4% - 5% |
| Weighted average cost of capital | 9% - 15% | 7% - 15% |

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of CGU. Based on this analysis, management believes that change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount.

(b) Following are the details of investment in partnership firm disclosing their capital and share of profit/(loss) as at 31 March 2022 and 31 March 2021:

| Partnership Firm | Name of the Partners | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|---|
| | | Share in total Capital | Share in Profit | Share in total Capital | Share in Profit |
| Auto Component | Minda Industries Limited | 5.41 | 95.00% | 4.14 | 48.90% |
| | Mr. Nirmal K. Minda | - | - | 1.84 | 20.55% |
| | Ms. Pallak Minda | - | - | 2.20 | 25.55% |
| | Mr. Sanjeev Garg | 0.28 | 5.00% | 0.29 | 5.00% |
| YA Auto Industries | Minda Industries Limited | 3.45 | 87.50% | 1.89 | 51.00% |
| | Mr. Sanjeev Garg | 0.49 | 12.50% | 0.46 | 12.50% |
| | Mrs. Suman Minda | - | - | 1.35 | 36.50% |
| Yogendra Engineering | Minda Industries Limited | 0.08 | 48.90% | 0.08 | 48.90% |
| | Mr. Sanjeev Garg | 0.03 | 12.50% | 0.03 | 12.50% |
| | Mrs. Suman Minda | - | 38.60% | - | 38.60% |
| Samaira Engineering | Minda Industries Limited | 7.37 | 87.50% | - | - |
| | Mr. Sanjeev Garg | 1.05 | 12.50% | - | - |
| S.M. Auto Industries | Minda Industries Limited | 3.68 | 87.50% | - | - |
| | Mr. Sanjeev Garg | 0.46 | 12.50% | - | - |

(c) During the current year, pursuant to corporate restructuring of group companies, the business of wholly owned subsidiary company namely "iSYS RTS GmbH" has been merged with step down subsidiary companies namely "Uno Minda Europe GmbH" (formerly known as "Minda Delvis GmbH"), "Uno Minda System GmbH" (formerly known as "Delvis Product GmbH") and "CREATE GmbH" (formerly known as "Delvis Solution GmbH") and consideration for the said transaction has been discharged by way of allotment of 18,286 equity shares in step down subsidiary company namely "Uno Minda Europe GmbH" in lieu of shareholding in wholly owned subsidiary company based on share swap ratio.

(d) During the current year, the Company has acquired additional stake in partnership firm namely "Auto Component" and has made new investment in partnership firms namely "Samaira Engineering" and "SM Auto Industries" due to which these entities have become subsidiaries of the company (refere note 34).

(e) Increase in number of shares in the current year is due to transfer of 98,48,040 shares taken place in the current year pursuant to settlement of consideration payable in previous year.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (B) | Current Investments | | |
| | **Quoted investments measured at fair value through profit and loss:** | | |
| | Investments in mutual funds of Axis Mutual fund {88,984.87 units (31 March 2021: Nil) of ₹ 1123.95 per unit} | 10.00 | - |
| | | **10.00** | - |
| | Aggregate value of quoted investments measured at fair value through profit and loss | 10.00 | - |
| | Aggregate market value of quoted investments measured at fair value through profit and loss | 10.00 | - |
| | Aggregate amount of impairment in value of investments | - | - |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (C) | Trade receivables (valued at amortised cost) | | | | |
| | **(Unsecured)** | | | | |
| | Trade receivables from contract with customers - considered goods - billed | - | - | 718.14 | 613.39 |
| | Trade receivables from contract with customers - considered goods - unbilled | | | 49.88 | 1.24 |
| | Trade receivables from contract with customers - considered good – related parties | - | - | 109.96 | 70.69 |
| | Trade receivables from contract with customers - credit impaired | | | 5.51 | 7.83 |
| | | - | - | **883.49** | **693.15** |
| | less: Impairment allowance for trade receivable - credit impaired | - | - | (5.51) | (7.83) |
| | **Total** | - | - | **877.98** | **685.32** |

**Notes:**

(a) **Trade receivables Ageing Schedule**

**As at 31 March 2022**

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date of payment: Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|---|
| Undisputed Trade Receivables - considered good | 49.88 | 665.30 | 152.71 | 4.73 | 1.85 | 1.25 | 2.26 | 877.98 |
| Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade Receivables - credit impaired | - | - | 0.85 | 0.45 | 0.63 | 0.02 | 0.67 | 2.62 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables - credit impaired | - | 0.01 | 0.01 | 1.52 | 0.23 | 0.72 | 0.40 | 2.89 |
| **Total** | **49.88** | **665.31** | **153.57** | **6.70** | **2.71** | **1.99** | **3.33** | **883.49** |
| Less: Impairment allowance for trade receivable - credit impaired | | | | | | | | (5.51) |
| **Net Trade receivables** | **49.88** | **665.31** | **153.57** | **6.70** | **2.71** | **1.99** | **3.33** | **877.98** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| **As at 31 March 2021** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | | | **Outstanding for following periods from the due date of payment** | | | | | |
| | **Unbilled** | **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 | 1.24 | 549.67 | 128.39 | 2.47 | 0.96 | 1.68 | 0.91 | 685.32 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | - | 2.40 | 1.27 | 1.77 | 0.06 | 1.89 | 7.39 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | 0.42 | 0.01 | - | 0.01 | - | 0.44 |
| **Total** | **1.24** | **549.67** | **131.21** | **3.75** | **2.73** | **1.75** | **2.80** | **693.15** |
| Less: Impairment allowance for trade receivable - credit impaired | | | | | | | | (7.83) |
| **Net Trade receivables** | **1.24** | **549.67** | **131.21** | **3.75** | **2.73** | **1.75** | **2.80** | **685.32** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (b) | The movement in allowance for expected credit loss on credit impairment trade receivables is as follows: | | |
| | **Balance as at beginning of the year** | 7.83 | 5.63 |
| | Addition during the year | 2.64 | 2.20 |
| | Utilisation of provision during the year | (4.96) | - |
| | **Balance as at the end of the year** | **5.51** | **7.83** |

(d) Trade receivables includes ₹ 17.45 Crores (31 March 2021: ₹ 24.05 Crores ) due from private companies in which director of the Company is a director. Apart from this there is no other trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(e) For terms and conditions relating to related party receivables, refer Note 33.

(f) Trade receivables are non-interest bearing and are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(D)** | **Cash and cash equivalents (valued at amortised cost)** | | | | |
| | Balances with banks | | | | |
| | In current / cash credit accounts | - | - | 55.50 | 61.66 |
| | Deposits with a original maturity of less than three months {refer note (b)} | - | - | 0.50 | 12.35 |
| | Cash on hand | - | - | 0.42 | 0.30 |
| | | - | - | **56.42** | **74.31** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**Notes:**

(a) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(b) Short-term deposits are made of varying periods between one day to three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposits rates.

(c) **Change in liabilities arising from financing activities:**

| | Long term borrowing | | Short term borrowing | | Lease liabilities | |
|---|---|---|---|---|---|---|
| | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 |
| Opening balance | 425.96 | 602.73 | 221.86 | 128.42 | 23.56 | 29.51 |
| Addition on account of new leases during the year | - | - | - | - | 31.37 | 7.54 |
| Addition of debt component of other financial instruments | 212.46 | - | - | - | - | - |
| Redemption of debt component of other financial instruments | (212.34) | - | - | - | - | - |
| Deletion during the year | - | - | - | - | (8.68) | (8.00) |
| Cash inflow | 30.00 | - | - | 98.93 | - | - |
| Cash outflow | (269.93) | (177.64) | (69.35) | (11.22) | (10.20) | (7.67) |
| Finance cost | 12.73 | 22.01 | 8.87 | 11.22 | 2.41 | 2.18 |
| Payment of finance cost | (11.98) | (18.49) | (8.87) | - | - | - |
| Interest accrued but not due | (0.75) | (2.65) | - | - | - | - |
| Others | - | - | - | (5.49) | - | - |
| **Closing balance** | **186.15** | **425.96** | **152.51** | **221.86** | **38.46** | **23.56** |
| Long term borrowing {refer note 12(A)} | 82.89 | 292.46 | - | - | - | - |
| Current maturity of long term borrowing {refer note 12(A)} | 103.26 | 133.50 | - | - | - | - |
| Short term borrowing {refer note 12(A)} | - | - | 152.51 | 221.86 | - | - |
| Non-current lease liability {refer note 12(B)} | - | - | - | - | 34.13 | 16.94 |
| Current maturity of long term lease liability {refer note 12(B)} | - | - | - | - | 4.33 | 6.62 |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(E)** | **Other Bank balances (valued at amortised cost)** | | | | |
| | Deposits with original maturity of more than three months but less than twelve months {refer note (a)} | - | - | 3.59 | 4.44 |
| | Deposits with original maturity of more than twelve months | 0.61 | 0.46 | 2.10 | - |
| | Unpaid dividend accounts {refer note (b)} | - | - | 0.72 | 0.72 |
| | | **0.61** | **0.46** | **6.41** | **5.16** |

**Notes:**

(a) The deposits maintained by the Company with banks comprise of the time deposits, which may be withdrawn by the Company at any point of time without prior notice and are made of varying periods between three months to twelve months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

(b) Unpaid dividend includes the amount payable to Investor Education and Protection Fund amounting to ₹ 0.02 Crores which has been paid on 23 May 2022. Apart from this, unpaid dividend account does not include any amount payable to Investor Education and Protection Fund. The Company can utilise the balance towards settlement of unclaimed dividend.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(F) Other financial assets (Unsecured, considered good unless otherwise stated)** | | | | |
| **Financial assets measured at fair value through profit and loss** | | | | |
| Derivatives financial instruments | - | - | 5.21 | 2.69 |
| **Financial assets measured at amortised cost** | | | | |
| Security deposits | 18.53 | 19.92 | 2.02 | 0.17 |
| Interest accrued on bank deposits | - | - | - | 0.65 |
| Loan to employees | - | - | 4.16 | 2.84 |
| Incentive receivable {refer note (i)} | - | - | 0.39 | 2.67 |
| Others {refer note (ii)} | - | - | 18.00 | 2.77 |
| | **18.53** | **19.92** | **29.78** | **11.79** |
| Less: Impairment allowance for security deposit - credit impaired | (1.58) | - | - | - |
| | **16.95** | **19.92** | **29.78** | **11.79** |

**Notes**

(i) **Movement of government grant receivable**

| | Year ended 31 March 2022 | Year ended 31 March 2022 |
|---|---|---|
| Opening balance | 2.67 | 3.54 |
| Accrual of grant related to income (credited to statement of profit and loss account) {refer note below} | 8.77 | 6.15 |
| Grant related to income realised | (11.05) | (7.02) |
| **Closing balance** | **0.39** | **2.67** |

Note: The above grant relates to export incentive which is recognised in the statement of profit and loss {refer note (18)}

(ii) Others includes the claims receivable from customer and other receivable etc.

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **7 INVENTORIES** | | |
| (Valued at lower of cost and net realisable value unless otherwise stated) | | |
| Raw material and components | 223.92 | 162.45 |
| Work-in-progress | 50.06 | 47.50 |
| Finished goods | 67.96 | 53.54 |
| Traded goods | 69.10 | 65.67 |
| Stores and spares | 28.77 | 21.43 |
| Loose tools | 32.19 | 19.28 |
| | **472.00** | **369.87** |

**Notes:**

| | | |
|---|---|---|
| (a) Refer note 12(A) for inventory pledged/hypothecated as security for borrowing by the company. | **472.00** | **369.87** |

(b) During the year ended 31 March 2022 ₹ 6.56 Crores (31 March 2021: ₹ 2.31 Crores) was recognised as an expense for inventories carried at net realisable value

(c) The above includes the goods in transits as under:

| | | |
|---|---|---|
| Raw material | 11.02 | 7.12 |
| Finished goods | 47.89 | 30.15 |
| Traded goods | 14.94 | 13.68 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 8 | **OTHER ASSETS** | | | | |
| | **(Unsecured considered good, unless otherwise stated)** | | | | |
| | **Capital advances** | 13.66 | 18.78 | - | - |
| | **Advance other than capital advance** | | | | |
| | Advance for material and supplies considered good | - | - | 51.02 | 38.41 |
| | Advance for material and supplies credit impaired | - | - | 2.21 | 2.27 |
| | **Others** | | | | |
| | Prepaid expenses | 0.76 | - | 13.21 | 11.48 |
| | Balances with government authorities considered good | 0.15 | - | 74.06 | 68.27 |
| | Balances with government authorities credit impaired | - | - | - | 0.06 |
| | Others | - | - | 0.07 | 0.75 |
| | | **14.57** | **18.78** | **140.57** | **121.24** |
| | | | | | |
| | Less: Impairment allowance for advance for material and supplies credit impaired | - | - | (2.21) | (2.27) |
| | Less: Impairment allowance for balances with government authorities credit impaired | - | - | - | (0.06) |
| | | **14.57** | **18.78** | **138.36** | **118.91** |
| 9 | **NON-CURRENT TAX ASSETS** | | | | |
| | Income Tax assets (net of provision for income tax) | - | - | 25.39 | 20.64 |
| | | - | - | **25.39** | **20.64** |

| | | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|---|
| | | Number | Amount | Number | Amount |
| 10 | **SHARE CAPITAL** | | | | |
| (i) | **Authorised Share capital** | | | | |
| | **Equity share capital** | | | | |
| | Equity shares of ₹2/- each with voting rights | 73,62,13,000 | 147.24 | 65,07,53,000 | 130.15 |
| | Equity shares of ₹10/- each with voting rights | - | - | 1,70,46,000 | 17.05 |
| | | | | | |
| | **Preference share capital** | | | | |
| | 9% Cumulative redeemable preference shares of ₹10/- each (Class 'A') | - | - | 30,00,000 | 3.00 |
| | 3% Cumulative compulsorily convertible preference shares of ₹2,187/- each (Class 'B') | - | - | 1,83,500 | 40.13 |
| | 3% Cumulative redeemable preference shares of ₹10/- each (Class 'C') | - | - | 35,00,000 | 3.50 |
| | 1% Non-cumulative fully convertible preference shares of ₹10/- each (Class 'D') | - | - | 1,00,00,000 | 10.00 |
| | 8% Non-cumulative redeemable preference shares of ₹10/- each (Class 'E') | 2,75,00,000 | 27.50 | 2,75,00,000 | 27.50 |
| | 14% Non-cumulative Redeemable Preference shares of ₹10/- each | - | - | 20,00,000 | 2.00 |
| | 13.5% Preference shares of ₹10/- each (Class 'A') | - | - | 2,000 | 0.00 |
| | 13.5% Preference shares of ₹100/- each (Class 'B') | - | - | 600 | 0.01 |
| | 2% Redeemable preference shares of ₹10/- each (Class 'C') | - | - | 1,10,000 | 0.11 |
| | 0.01% Non-convertible redeemable Preference Shares of ₹ 100/- each | 3,36,94,945 | 336.95 | - | - |
| | | | **511.69** | | **233.45** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|---|
| | | **Number** | **Amount** | **Number** | **Amount** |
| (ii) | **Issued, subscribed and fully paid up** | | | | |
| | **Equity share capital** | | | | |
| | Equity shares of ₹2/- each with voting rights | 28,56,20,441 | 57.12 | 27,19,28,704 | 54.39 |
| | | **28,56,20,441** | **57.12** | **27,19,28,704** | **54.39** |
| (iii) | **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:** | | | | |
| | **Equity shares of ₹2/- each with voting rights** | | | | |
| | Balance at the beginning of the year | 27,19,28,704 | 54.39 | 26,22,16,965 | 52.44 |
| | Add: Issue of equity shares under right issue | - | - | 97,11,739 | 1.95 |
| | Add: Issue of equity shares on settlement of consideration payable | 39,69,737 | 0.79 | - | - |
| | Add: Issue of equity shares under preferential allotment to qualified institutional buyers | 97,22,000 | 1.94 | - | - |
| | **Balance at the end of the year** | **28,56,20,441** | **57.12** | **27,19,28,704** | **54.39** |

**Note:** 0.01% Non-convertible redeemable Preference Shares of ₹ 100/- each are classified as compound financial instrument and liability component of these shares has been disclosed under non-current borrowing {refer note 12(A)(vii)}

(iv) **Details of shares held by promoters**

**As at 31 March 2022**

| Promoter and promoter group | As at 31 March 2022 | | As at 31 March 2021 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of Total Shares | No. of shares | % of Total Shares | |
| **Equity shares of ₹2/- each with voting rights** | | | | | |
| Nirmal K. Minda | 6,45,82,210 | 22.61% | 6,70,62,700 | 24.66% | -2.05% |
| Mrs. Suman Minda | 4,00,00,737 | 14.00% | 4,00,00,737 | 14.71% | -0.71% |
| Pallak Minda | 33,86,133 | 1.19% | 33,86,133 | 1.25% | -0.06% |
| Paridhi Minda | 33,86,133 | 1.19% | 22,15,643 | 0.81% | 0.38% |
| Amit Minda | 1,00,000 | 0.04% | 12,79,614 | 0.47% | -0.43% |
| Anand Kumar Minda | 12,06,500 | 0.42% | 41,500 | 0.02% | 0.40% |
| Maa Vaishno devi Endowment | 3,24,690 | 0.11% | 3,24,690 | 0.12% | -0.01% |
| Minda Investments Limited | 6,77,74,957 | 23.73% | 6,69,44,957 | 24.62% | -0.89% |
| Singhal Fincap Limited | 82,05,713 | 2.87% | 77,25,713 | 2.84% | 0.03% |
| Minda Finance Limited | 37,38,624 | 1.31% | 37,38,624 | 1.37% | -0.06% |
| **Total** | **19,27,05,697** | **67.47%** | **19,27,20,311** | **70.87%** | |

**As at 31 March 2021**

| Promoter and promoter group | As at 31 March 2021 | | As at 31 March 2020 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of Total Shares | No. of shares | % of Total Shares | |
| **Equity shares of ₹2/- each with voting rights** | | | | | |
| Nirmal K. Minda | 6,70,62,700 | 24.66% | 6,53,71,530 | 24.93% | (0.27%) |
| Mrs. Suman Minda | 4,00,00,737 | 14.71% | 3,85,72,140 | 14.71% | - |
| Pallak Minda | 33,86,133 | 1.25% | 32,65,200 | 1.25% | - |
| Paridhi Minda | 22,15,643 | 0.81% | 17,10,115 | 0.65% | 0.16% |
| Amit Minda | 12,79,614 | 0.47% | 12,92,520 | 0.49% | (0.02%) |
| Anand Kumar Minda | 41,500 | 0.02% | 54,000 | 0.02% | - |
| Maa Vaishno devi Endowment | 3,24,690 | 0.12% | 3,24,690 | 0.12% | - |
| Minda Investments Limited | 6,69,44,957 | 24.62% | 6,38,50,140 | 24.35% | 0.27% |
| Singhal Fincap Limited | 77,25,713 | 2.84% | 74,49,795 | 2.84% | - |
| Minda Finance Limited | 37,38,624 | 1.37% | 37,38,302 | 1.43% | (0.06%) |
| **Total** | **19,27,20,311** | **70.87%** | **18,56,28,432** | **70.79%** | |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

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

| Name of shareholders | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | No. of shares | % holding | No. of shares | % holding |
| **Equity shares of ₹2/- each with voting rights** | | | | |
| Mr. Nirmal K Minda | 6,45,82,210 | 22.61% | 6,70,62,700 | 24.66% |
| Mrs. Suman Minda | 4,00,00,737 | 14.00% | 4,00,00,737 | 14.71% |
| Minda Investments Limited | 6,77,74,957 | 23.73% | 6,69,44,957 | 24.62% |
| Matthews Asia Dividend Fund | 1,22,54,092 | 4.29% | 1,36,19,268 | 5.01% |

(vi) **Terms/rights attached to equity shares**

The Company has only one class of issued equity shares capital having par value of ₹2/- per share (31 March 2021 ₹ 2/- per share). Each shareholder is entitled to one vote per share held. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

(vii) **Terms/ rights attached to preference shares**

The Company has only one class of issued preference shares capital having par value of ₹100/- per share (31 March 2021 ₹ Nil) which are compulsorily redeemable on the expiry of 36 months from the date of allotment thereof with an option with to redeem them at the option of preference shareholder to redeem them any time after the expiry of 18 months, wherein the yield and the coupon shall be adjusted proportionately. Each 0.01% non-convertible redeemable preference share shall be redeemed at the issue price of ₹ 121.25 together with a yield of 7.5% p.a. on the issue price such that the redemption price, if redeemable preference shares are redeemed at the end of 36 months shall be ₹ 150.60 per share. The preference shares carry a dividend of 0.01% per annum. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation. The presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policy.

(viii) Aggregate number of shares issued as bonus and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date are as follows:

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Equity shares allotted as fully paid up by way of bonus shares by capitalization of securities premium | 17,43,42,310 | 17,43,42,310 |
| Equity shares issued on settlement of consideration payable | 39,69,737 | - |
| 0.01% Non-convertible redeemable Preference Shares issued on settlement of consideration payable * | 1,88,84,662 | - |

* Out of the 1,88,84,662 non-convertible redeemable preference shares issued during the year, 1,88,75,002 non-convertible redeemable preference shares have been redeemed during the year.

(ix) During the previous year, the Board of Directors of the Company had approved issue of 9,711,739 fully paid up equity shares of face value of ₹ 2 each (the "Rights Equity Shares") amounting to ₹ 242.79 Crores at a price of ₹250 per Rights Equity Share (including securities premium of ₹248 per Rights Equity Share), in the ratio of 1 Rights Equity Shares for every 27 existing fully paid-up shares held by the eligible equity shareholders as on 17 August 2020, the Record date. Further, on 15 September 2020, the Rights Issue Committee of the Board of Directors approved the allotment of Rights Equity Shares in relation to the said Rights Issue and consequently Rights issue shares were issued during the previous year. There is no deviation in use of proceeds from the objects stated in the Offer document for rights issue.

(x) During the current year the Company has issued 97,22,000 fully paid up equity shares of face value of ₹ 2 each amounting to ₹ 699.98 Crores at a price of ₹ 720 per equity share (including securities premium of ₹ 718 per equity share) to Qualified institutional buyers (QIB) pursuant to resolution passed by board of directors dated 13 June 2021 and special resolution passed by shareholder in Extra-ordinary general meeting dated 22 July 2021. The funds so received have been utilised for the purpose for which these funds have been raised

(xi) **Shares reserved for issue under Employee stock option plan**

Information relating to Employee stock option plan, including details of option issued, exercised and lapsed during the financial year and options outstanding as at end of the reporting period are set out in note 32.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(xii) **Dividend paid and proposed**

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Dividend declared and paid during the year** | | |
| Final dividend of ₹ 0.50 per share for the FY 2020-21 (₹ Nil per share for FY 2019-20) | 14.28 | - |
| Interim dividend of ₹ 0.50 per share for the FY 2021-22 (₹ 0.35 per share for FY 2020-21) | 14.28 | 9.52 |
| | **28.56** | **9.52** |
| **Proposed dividends on equity shares:** | | |
| Final dividend for the year ended 31 March 2022 ₹ 1 per equity share of ₹ 2 each (31 March 2021: ₹ 0.50 per equity share of 2 each) recommended by the board of directors subject to approval of shareholders in the ensuing annual general meeting. | 28.56 | 13.60 |
| Final dividend for the year ended 31 March 2022 ₹ 0.01 per 0.01% non-convertible redeemable preference share of 100 each (31 March 2021: ₹ Nil ) recommended by the board of directors subject to approval of shareholders in the ensuing annual general meeting. | 0.00 | - |
| | **28.56** | **13.60** |

**Notes:**

(a) The board of directors in their meeting held on 24 May 2022 have also proposed the bonus issue of 1 (one) equity share of ₹ 2 each held by the shareholders of the Company on the record date

(b) 0.00 represents the amount below ₹ 50,000

## 11 OTHER EQUITY

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Equity component of other financial instruments | 6.55 | 6.55 |
| Securities premium | 1,406.00 | 592.51 |
| Capital redemption reserve | 18.39 | 18.39 |
| Capital reserve | 2.28 | 2.28 |
| Capital reserves arising on amalgamation | 26.56 | 26.56 |
| General Reserve | 64.03 | 64.03 |
| Employee stock options reserve | 27.61 | 2.25 |
| Share pending issuances | - | - |
| Retained earnings | 1,047.56 | 880.89 |
| **Total other equity** | **2,598.98** | **1,593.46** |
| | | |
| (i) **Equity component of other financial instruments** | | |
| **Opening balance** | 6.55 | 6.55 |
| Movement | - | - |
| **Closing balance** | **6.55** | **6.55** |
| | | |
| (ii) **Securities premium** | | |
| **Opening balance** | 592.51 | 357.20 |
| Add: Security premium on issue of shares under right issue | - | 240.85 |
| Add: Security premium on issue of shares under preferential allotment | 698.04 | - |
| Add: Security premium on issue of non-convertible redeemable preference shares on settlement of consideration payable | 125.43 | - |
| Less: Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | (9.98) | (2.41) |
| Less: Purchase of non controlling interest | - | (3.13) |
| **Closing balance** | **1,406.00** | **592.51** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (iii) | **Capital redemption reserve** | | |
| | **Opening balance** | 18.39 | 18.39 |
| | Employee stock compensation expense | - | - |
| | **Closing balance** | **18.39** | **18.39** |
| | | | |
| (iv) | **Capital reserves** | | |
| | **Opening balance** | 2.28 | 2.28 |
| | Movement | - | - |
| | **Closing balance** | **2.28** | **2.28** |
| | | | |
| (v) | **Capital reserves arising on amalgamation** | | |
| | **Opening balance** | 26.56 | 26.56 |
| | Movement | - | - |
| | **Closing balance** | **26.56** | **26.56** |
| | | | |
| (vi) | **General Reserve** | | |
| | **Opening balance** | 64.03 | 64.03 |
| | Employee stock compensation expense | - | - |
| | **Closing balance** | **64.03** | **64.03** |
| | | | |
| (iii) | **Employee stock options reserve** | | |
| | **Opening balance** | 2.25 | 1.20 |
| | Employee stock compensation expense | 25.36 | 1.05 |
| | **Closing balance** | **27.61** | **2.25** |
| | | | |
| (viii) | **Share pending issuance** | | |
| | **Opening balance** | - | 52.00 |
| | Purchase of non controlling interest | - | (52.00) |
| | **Closing balance** | - | - |
| | | | |
| (ii) | **Retained earnings** | | |
| | **Opening balance** | 880.89 | 768.77 |
| | Net profit for the year | 196.03 | 118.98 |
| | Other comprehensive income/ loss for the year | (0.80) | 2.66 |
| | Dividend paid | (28.56) | (9.52) |
| | **Closing balance** | **1,047.56** | **880.89** |

**Nature and purpose of other reserves**

(i) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(ii) **Retained earnings**

Retained earnings are the profits that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions 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.

(iii) **Employee stock options reserve**

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iv) **General Reserve**

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.

(v) **Capital redemption reserve**

The capital redemption reserve is a non-distributable reserve and represents preference shares redeemed.

(vi) **Capital reserves arising on amalgamation**

Reserve created on account of merger of subsidiaries is not available for distribution of dividend and expected to remain invested permanently.

(vii) **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.

(viii) **Share pending issuance**

It represents shares to be issued to a non-resident shareholder of transferor company pursuant to business combination.

(ix) **Equity component of other financial instruments**

Equity component of the other financial instruments is credited to other equity.

## 12 FINANCIAL LIABILITIES

### (A) Borrowings (valued at amortised cost)

| | | Long term borrowing | | Short term borrowing | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (a) | **Term loans** | | | | |
| | Term loans from bank (secured) {refer note (i) below) | 174.03 | 404.30 | - | - |
| | Term loans from others (secured) {refer note (ii) below) | - | 9.66 | - | - |
| | Term loans from bank (unsecured) {refer note (iii) below) | 12.00 | 12.00 | - | - |
| (b) | **Loans repayable on demand {refer note (ii) below)** | | | | |
| | Working capital demand loan/cash credit from banks (secured) {refer note (iv) below) | - | - | 51.51 | 81.96 |
| | Working capital demand loan/cash credit from banks (unsecured) {refer note (v) below) | - | - | 60.00 | 71.90 |
| | Working capital demand loan from others (unsecured) {refer note (vi) below) | - | - | 41.00 | 68.00 |
| (c) | **Debt component of compound financial instruments** {refer note (viii) below} | 0.12 | - | - | - |
| (d) | **Current maturities of long term borrowings** | | | | |
| | Current maturities of term loan (secured) | (103.26) | (121.50) | 103.26 | 121.50 |
| | Current maturities of term loan (unsecured) | - | (12.00) | - | 12.00 |
| | | **82.89** | **292.46** | **255.77** | **355.36** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**Notes:**

(i) **The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from banks are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Rupee Term Loan from HDFC Bank obtained by the Company is secured by:<br>Movable Fixed assets ~First Pari passu charge on all movable property, plant and equipment of the Company<br>Immovable Fixed assets~ First Pari passu charge on Immovable property, plant and equipment of the Company. Collateral Details -<br>i) Village Nawada, Fatehpur, PO-Sikandarpur Badda, Manesar,Gurgaon<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana<br>iii) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar<br>iv) Land & Bldg at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam,Vengadu Taluk, Sriperumpudur<br>v) Plot No 5, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand and<br>vi) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>Also, Negative Lien of<br>i) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt<br>ii) Property No. B-1/5 MIDC, ChakanIndustrial Area, Mahalunge, Taluka Khed, measuring 18022 sq mt | Total loan sanctioned amounting to ₹100 Crores for the period of 60 Months including moratorium period of 18 months and repayable in 7 equal semi-annual payable post moratorium<br><br>Rate of interest- Repo rate plus 155 bps (31 March 2021: 1 year MCLR) | 57.15 | 75.00 |
| External Commercial Borrowing from HSBC Bank by the Company is secured by : First pari passu charge on entire block of movable fixed assets of the company except those wherein other lenders have exclusive charge.<br>First pari passu charge on equitable mortgage at below location:-<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector2A, IMT Manesar<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | Total loan sanctioned amounting to US$ 1 Crores having tenure of 60 month including moratorium of 12 months and repayment in 16 equal quarterly payable post moratorium<br><br>Rate of interest- 3 month LIBOR + 1.05% (31 March 2021: 3 month LIBOR + 1.05%) | 28.43 | 45.94 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| External Commercial Borrowing from Citi Bank N.A. obtained by the Company is secured by: First pari passu charge on the property, plant and equipment subject to min FACR of 1.25x<br>First pari passu charge on all movable and immovable property, plant and equipment of the Company at below locations:<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector2A, IMT Manesar. | Total loan sanctioned amounting to US$ 0.8 Crores having tenure of 5 Years including moratorium of 12 months and repayment in 17 equal quarterly payable post moratorium<br><br>Rate of interest- 3 months LIBOR + 0.90% (31 March 2021: 3 months LIBOR + 0.90%) | 20.13 | 32.53 |
| External Commercial Borrowing from HSBC Bank is secured by :<br>First Parri Passu charge on entire block of Movable fixed assets of the company except those wherein other lenders have exclusive charge.<br>First Pari passu charge on Equitable Mortgage at below locations:<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | Total loan sanctioned amounting to US$ 1.50 Crores having tenure of 75 month including moratorium of 15 months and repayment in 20 equal quarterly payable post moratorium. The loan has been fully repaid during the current year.<br><br>Rate of interest- 3 months LIBOR + 1% (31 March 2021: 3 months LIBOR + 1%) | - | 110.26 |
| External Commercial Borrowing from Citi Bank is secured by : First pari-passu charge on entire block of movable fixed asset of the company except those wherein lenders have exclusive charge<br>First pari-passu charge on immovable property by equitable mortgage as below:<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. | Total loan sanctioned amounting to US$ 1.40 Crores having tenure of 5 Years including moratorium of 18 months and repayment in 14 equal quarterly instalments post moratorium. | 68.32 | 95.56 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal<br>iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt.Pune. | Rate of interest- 3 months LIBOR + 0.75% (31 March 2021: 3 months LIBOR + 0.75%) | | |
| Rupee term loan from Axis Bank obtained by the Company is secured by:<br>First pari-passu charge on the entire fixed asset of the company both present and future as under (excluding immovable fixed asset situated at MIDC chakan Industrial area, pune<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>ii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector-2A, IMT Manesar<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur.<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | Total loan sanctioned amounting to ₹ 30 Crores having tenure of 5.5 years including moratorium of 18 months and repayment in 16 equal quarterly instalments payable post moratorium. The loan has been fully repaid during the current year.<br><br>Rate of interest- 3 months MCLR + 0.10% (31 March 2021: 3 months MCLR + 0.10%) | - | 30.00 |
| Rupee term loan from Axis Bank is obtained in two tranches and secured by way of:<br>Loan -1: Primary charge by way of first pari-passu charge on movable fixed asset of the company, both present and future. Collateral charge - First charge on equitable mortgage of land & building situated at CHAKAN (Pune) Second charge by way of hypothecation of entire current asset of the company assets of the company, both present and future.<br>Letter of comfort from Minda Industries Limited backed by board resolution | Loan 1- Total loan sanctioned amounting to ₹30 Crores of which loan of ₹ 15 Crores was availed in FY 2020-21 repayable in 24 quarterly instalments of ₹1.25 Crores each starting after 12 months from the date of first disbursement. Rate of interest : 12 months MCLR +1% (31 March 2021: 12 months MCLR +1% ) | - | 15.01 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Loan -2: Exclusive charges by way of equitable mortgage on land & Building situated at Chakan(Pune). Exclusive charge on movable fixed asset of company's Chakan plant, both present & future. Exclusive charge on movable fixed asset of company's Hosur and Sonipat plant, both present & future. | Loan 2- Total loan sanctioned amounting to ₹22 Crores repayable in 20 quarterly instalment of ₹ 1.10 Crores each starting after 6 months from the date of first disbursement. Rate of interest : MCLR +1% (31 March 2021:MCLR +1%) These loan have been fully repaid during the year | | |
| **Total** | | **174.03** | **404.30** |

(ii) **The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from others are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Term loan from Bajaj Finance Limited obtained by the Company is secured by exclusive charge on entire movable and immovable fixed asset located at plot no. 12 & 13 Sector 16, HSIDC Industrial estate, Bahadurgarh-124507, Haryana with minimum fixed asset coverage ratio of 1.2x. | Loan sanctioned amounting to ₹28 Crores, repayable in 22 quarterly instalments of ₹1.27 Crores starting from March 2020. The Loan has been fully repaid during the year Rate of interest : 7.80% p.a. (31 March 2021: 9% p.a.) | - | 9.66 |
| **Total** | | **-** | **9.66** |

(iii) **The details of repayment terms and rate of interest provided in respect of unsecured term loans from banks are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Term Loan from Axis Bank ( Unsecured) | Bullet Repayment after 1 years from date of respective drawdowns. Repo Rate + 0.75% (31 March 2021: Repo Rate + 0.75%) During the current year, the Company has repaid the loan outstanding at the beginning of the year and has availed additional loan of ₹30.00 Crores. | 12.00 | 12.00 |
| **Total** | | **12.00** | **12.00** |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

(iv) **The details and nature of securities provided in respect of secured working capital demand loans/cash credit from bank are as below:**

| Bank Name (facility) Nature of security | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Citibank (Cash Credit) is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as per detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka Khed, Distt. Pune. | - | 14.00 |
| State Bank of India (Cash Credit) is secured by:<br>Primary Security: 1st pari passu charge on hypothecation charge on entire current assets comprising:<br>i) Stock of raw material, stores & spares, consumables, work in progress, finished goods etc. at its works, godowns, etc. (present and future) and including stock in transit and cash / credit balance in their loan accounts.<br>ii) All present and future Book Debts / Receivables as also clean or documentary bills, domestic or export, whether accepted or otherwise and the cheques / drafts / instruments etc. drawn in its favour.<br>Collateral Security: NIL | 0.82 | 10.70 |
| Canara Bank (Cash Credit) is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as per detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune | - | 6.25 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Bank Name (facility) Nature of security | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Standard Chartered Bank (Cash Credit) is secured by:<br>First pari passu charge on current assets both present & future.<br>Negative lien on the following properties for working capital limits:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune | 36.73 | 12.00 |
| ICICI (Cash Credit) is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. | 4.88 | - |
| Short term loan from HDFC Bank obtained by the company<br>Includes obligation against bills discounted and remaining unpaid as at year end.<br>Factored receivables are secured by first charge on trade receivables. | 9.08 | 5.76 |
| HDFC Bank (Cash Credit) is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as er detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka- Khed, Distt. Pune. | - | 33.25 |
| **Total** | **51.51** | **81.96** |

(v) **The details of repayment terms and rate of interest in respect of unsecured working capital demand loans/cash credit accounts from banks are as below:**

| Bank Name (facility) Nature of security | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Working capital loan from Kotak Mahindra Bank is repayable within 90 days | - | 9.50 |
| Commercial Paper from Kotak Mahindra Bank. The same have been fully repaid during the current year | - | 50.00 |
| Packing Credit loan from HDFC Bank | - | 12.40 |
| Working capital loan from HDFC Bank Limited is repayable within 15 days carried at the interest rate 4.30% p.a. | 60.00 | - |
| **Total** | **60.00** | **71.90** |

(vi) **The details of repayment terms and rate of interest in respect of unsecured working capital demand loans from others are as below:**

| Bank Name (facility) Nature of security | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Working capital loan from Bajaj Finance Limited is repayable within 60-180 days carried at the interest rate 5.75% p.a. | 41.00 | 68.00 |
| **Total** | **41.00** | **68.00** |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

(vii) In pursuant to consideration payable on acquisitoin of Harita business in the previous year, the Company has discharged the consideration payable in the current year by way of allotment of 3,969,737 equity shares having a face value of 2 each at the price of 320 per equity share (including security premium of 318 per equity share) and 18,884,662 fully paid up 0.01% non-convertible redeemable preference shares having a face value of 100 each at the price of 121.25 per non-convertible redeemable preference shares (including security premium of 21.25 per non-convertible redeemable preference shares) in accordance with the scheme. Subsequently the preference shareholders of 18,875,002 non-convertible redeemable preference shares have exercised the option to redeem their shares in the current year, accordingly these shares were redeemed at a redemption price of ₹ 112.50 per non-convertible redeemable preference shares in accordance with the scheme and accounted the resultant gain on settlement of purchase consideration payable in other income (refer note 19). Remaining 9660 0.01% non-convertible redeemable preference are compulsorily redeemable on the expiry of 36 months

(viii) As on 31 March 2022, the Company has outstanding 9,660 (31 March 2021: Nil) 0.01% non-convertible redeemable preference share, which are compulsorily redeemable on the expiry of 36 months from the date of allotment thereof with an option with to redeem them at the option of preference shareholder to redeem them any time after the expiry of 18 months, wherein the yield and the coupon shall be adjusted proportionately. Each 0.01% non-convertible redeemable preference share shall be redeemed at the issue price of ₹ 121.25 together with a yield of 7.5% p.a. on the issue price such that the redemption price, if redeemable preference shares are redeemed at the end of 36 months shall be ₹ 150.60 per share. The preference shares carry a dividend of 0.01% per annum. The dividend rights are non-cumulative. These shares are classified as compound financial instrument and liability component of the these shares has been disclosed under non-current borrowing.

(ix) Term loan from bank and others contain certain debt covenants. The Company has satisfied all these debt covenants prescribed in the terms of these loans.

(x) The Company has not made any default in the repayment of loans to banks and other financial institutions including interest thereon.

(xi) The term loans have been used for the purpose for which they were obtained and funds raised for a short term basis have not been used for long term purposes.

(xii) In pursuant to borrowing taken by the Company from banks on security of current assets, the Company is required to submit the information periodically which includes the stock statement, book debts statement, revenue, trade receivable and trade payable etc. During the current year, the Company has submitted the following financial information to all banks, from whom working capital demand loan has been taken, on quarterly basis which in some of these cases is not reconciled with books as follows:

| Quarter ending | Amount as per books of account | Amount as reported in the quarterly return / statement | Discrepancies | Reason for material discrepancies |
|---|---|---|---|---|
| **Inventory** | | | | Due to timing differences in reporting to bank and routine book closure period adjustments. |
| Jun-30 | 390.07 | 373.34 | 16.73 | |
| Sep-30 | 416.98 | 375.16 | 41.82 | |
| Dec-31 | 451.71 | 454.96 | (3.25) | |
| Mar-31 | 472.00 | 465.84 | 6.16 | |
| **Revenue** | | | | |
| Jun-30 | 885.50 | 894.19 | (8.69) | |
| Sep-30 | 2,185.26 | 2,297.17 | (111.91) | |
| Dec-31 | 3,518.96 | 3,646.46 | (127.51) | |
| Mar-31 | 4,959.73 | 5,008.05 | (48.32) | |
| **Trade Payables** | | | | |
| Jun-30 | 525.00 | 334.40 | 190.60 | |
| Sep-30 | 802.07 | 665.91 | 136.16 | |
| Dec-31 | 806.00 | 653.98 | 152.02 | |
| Mar-31 | 868.33 | 690.22 | 178.11 | |
| **Trade Receivables** | | | | |
| Jun-30 | 544.45 | 521.67 | 22.78 | |
| Sep-30 | 705.34 | 657.50 | 47.84 | |
| Dec-31 | 727.56 | 697.05 | 30.51 | |
| Mar-31 | 877.98 | 1,000.11 | (122.13) | |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (B) | Lease liabilities (valued at amortised cost) | | | | |
| | Lease liabilities (refer note 4) | 34.13 | 16.94 | 4.33 | 6.62 |
| | | **34.13** | **16.94** | **4.33** | **6.62** |
| (C) | Trade payables (valued at amortised cost) | | | | |
| | Total outstanding dues of micro enterprises and small enterprises | - | - | 120.96 | 142.38 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - | 747.37 | 637.91 |
| | | **-** | **-** | **868.33** | **780.29** |

**Notes:**

(i) **Trade payables Ageing Schedule**

**As at 31 March 2022**

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date: less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| Undisputed dues of micro enterprises and small enterprises | - | 113.41 | 7.50 | 0.04 | 0.01 | - | 120.96 |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 128.55 | 504.41 | 111.39 | 1.90 | 0.79 | 0.33 | 747.37 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| **Total** | **128.55** | **617.82** | **118.89** | **1.94** | **0.80** | **0.33** | **868.33** |

**As at 31 March 2021**

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date: less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| Undisputed dues of micro enterprises and small enterprises | - | 59.59 | 82.79 | - | - | - | 142.38 |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 70.09 | 289.02 | 268.06 | 9.15 | 0.13 | 1.46 | 637.91 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| **Total** | **70.09** | **348.61** | **350.85** | **9.15** | **0.13** | **1.46** | **780.29** |

(ii) The trade payables are unsecured and non interest-bearing and are usually on varying trade term.

(iii) Trade Payables include due to related parties ₹ 181.71 Crores (31 March 2021 : ₹ 135.59 Crores) {refer to note 33}

(iv) For terms and conditions with related parties. {refer to note 33}

(v) The amounts falling in the category of more than 1 year are related to pending obligations on the part of the supplier as per agreed terms and conditions mentioned in respective contracts.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(vi) Trade payable includes acceptance amounting to ₹ 21.64 Crores.

(vii) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (i) | The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| | Principal amount due to micro and small enterprises | 120.87 | 141.76 |
| | Interest due on above | 0.09 | 0.62 |
| | | **120.96** | **142.38** |
| (ii) | 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 | | |
| | Principal amount | 81.80 | 68.10 |
| | Interest on above | 0.14 | 0.82 |
| (iii) | 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. | 0.24 | 0.18 |
| (iv) | The amount of interest accrued and remaining unpaid at the end of each accounting year | 0.33 | 0.80 |
| (v) | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | 0.99 | 0.80 |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(D)** | **Other financial liabilities (valued at amortised cost)** | | | | |
| | Interest accrued but not due on non-current borrowings | - | - | 0.75 | 2.65 |
| | Payable for purchase consideration {refer note 12(A)(vii)} | - | - | - | 463.88 |
| | Unpaid dividend {refer note (i)} | - | - | 0.72 | 0.74 |
| | Capital creditors | - | - | 24.31 | 16.00 |
| | Trade/ security deposit received | - | - | 7.37 | 0.83 |
| | Payable to employees | - | - | 29.30 | 16.99 |
| | Others {refer note (ii)} | - | 8.04 | - | 3.85 |
| | | **-** | **8.04** | **62.45** | **504.94** |

**Notes:**

(i) Unpaid dividend includes the amount payable to Investor Education and Protection Fund amounting to ₹ 0.02 Crores which has been paid on 23 May 2022. Apart from this, unpaid dividend account does not include any amount payable to Investor Education and Protection Fund.

(ii) Other includes deferred payment credit from HSIIDC (Haryana State Industrial and Infrastructure Development Corporation Limited) by the Company and customer trade deposit etc.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 13 | **PROVISIONS** | | | | |
| | **Provision for employee benefits** | | | | |
| | Provision for Gratuity (refer note 31) | 50.65 | 45.47 | 3.42 | 3.17 |
| | Provision for Pension (refer note 31) | 4.01 | 4.01 | - | - |
| | Provision for compensated absences | - | 17.02 | 29.47 | 9.68 |
| | **Others** | | | | |
| | Provision for warranty {refer note (i) below} | 0.23 | 0.95 | 4.10 | 7.72 |
| | Others {refer note (ii) below} | | - | 24.15 | - |
| | | **54.89** | **67.45** | **61.14** | **20.57** |

**Notes**

(i) The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and based on past experience of the level of repairs and defective returns. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about defective returns based on past trend for products sold and are consistent with those in the prior years. The assumptions made in relation to the current year are consistent with those in the prior year. The table below gives information about movement in warranty provisions

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Balance as at beginning of the year** | 8.67 | 6.24 |
| Add: Provision made during the year | 6.34 | 4.24 |
| Less: Utilised during the year | (10.68) | (1.81) |
| Balance as at the end of the year | **4.33** | **8.67** |
| Non-current portion | 0.23 | 0.95 |
| Current portion | 4.10 | 7.72 |

(ii) It includes the provision for discount to be given by the Company at year end. The table below gives information about movement in warranty provisions

| | | |
|---|---|---|
| **Balance as at beginning of the year** | - | - |
| Add: Provision made during the year | 24.15 | - |
| Less: Utilised during the year | - | - |
| Balance as at the end of the year | **24.15** | **-** |
| Current portion | 24.15 | - |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| 14 | **INCOME TAX AND DEFERRED TAX** | | |
| | The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are: | | |
| (a) | **Income tax expense in the statement of profit and loss comprises :** | | |
| | Current income tax charge | 69.54 | 31.73 |
| | Adjustment in respect of current income tax of previous year | (1.82) | - |
| | **Total current income tax** | **67.72** | **31.73** |
| | **Deferred Tax charge / (credit)** | | |
| | Relating to origination and reversal of temporary differences | (1.47) | 16.73 |
| | **Income tax expense reported in the statement of profit or loss** | **66.25** | **48.46** |
| (b) | **Other Comprehensive Income** | | |
| | **Tax expense related to items recognised in Other comprehensive income during the year:** | | |
| | Deferred tax on re-measurement loss on defined benefit plans | 0.43 | (1.29) |
| | **Income tax related to items recognised in Other comprehensive income during the year** | **0.43** | **(1.29)** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (c) | **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :** | | |
| | Accounting Profit before tax | **262.28** | **167.44** |
| | Applicable tax rate | 34.94% | 34.94% |
| | **Computed Tax Expense** | **91.65** | **58.51** |
| | Tax impact of items not deductible in calculating the taxable income | (3.45) | 0.08 |
| | Tax impact of income not taxable in calculating the taxable income | (20.96) | (9.94) |
| | Difference in tax rate | (0.87) | (0.60) |
| | Others | (0.12) | 0.41 |
| | **Income tax charged to Statement of Profit and Loss at effective rate of 25.82% (31 March 2021: 18.51%)** | **66.25** | **48.46** |

(d) **Deferred tax liabilities /(assets) comprises :**

| | Balance Sheet | | Charged to | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | Statement of profit and loss | Other comprehensive income |
| Property, plant and equipment and intangible assets | 78.41 | 79.78 | 1.37 | - |
| Provision for warranty | (1.51) | (3.06) | (1.55) | - |
| Expenses allowable on payment basis | (36.30) | (33.54) | 2.34 | 0.43 |
| Provision for impairment of trade receivable and other assets | (2.70) | (2.36) | 0.34 | - |
| Amortisation of expense under section 35D of Income tax act, 1961 | (2.85) | (4.27) | (1.42) | - |
| Other Items giving rise to temporary differences | (5.53) | (5.14) | 0.39 | - |
| | **29.52** | **31.41** | **1.47** | **0.43** |
| Less: MAT credit entitlement | - | (13.54) | - | - |
| | **29.52** | **17.87** | **1.47** | **0.43** |

| | Balance Sheet | | Charged to | |
|---|---|---|---|---|
| | As at 31 March 2021 | As at 31 March 2020 | Statement of profit and loss | Other comprehensive income |
| Property, plant and equipment and intangible assets | 79.78 | 73.27 | (6.51) | - |
| Provision for warranty | (3.06) | (2.18) | 0.88 | - |
| Expenses allowable on payment basis | (33.54) | (28.35) | 6.48 | (1.29) |
| Provision for impairment of trade receivable and other assets | (2.36) | (1.99) | 0.37 | - |
| Amortisation of expense under section 35D of Income tax act, 1961 | (4.27) | (5.69) | (1.42) | - |
| Other Items giving rise to temporary differences | (5.14) | (9.84) | (4.70) | - |
| | **31.41** | **25.22** | **(4.90)** | **(1.29)** |
| Less: MAT credit entitlement | (13.54) | (15.28) | (11.83) | - |
| | **17.87** | **9.94** | **(16.73)** | **(1.29)** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (e) | **Deferred tax liabilities movement:** | | |
| | Opening balance as per last balance sheet | 17.87 | 9.94 |
| | Deferred tax charged/(credited) to profit and loss account during the year | (1.47) | 16.73 |
| | Deferred tax charged/(credited) to other comprehensive income account during the year | (0.43) | 1.29 |
| | Utilisation of MAT credit entitlement | 13.54 | (10.09) |
| | | **29.52** | **17.87** |

(f) Effective tax rate has been calculated on profit before tax.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 15 CONTRACT BALANCES

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (A) | Trade Receivables {refer note (a) below and note 6(C)} | - | - | 877.98 | 685.32 |
| (B) | Contract Liability {refer note (b) and note 18(iv)} | - | - | 80.84 | 31.01 |

**Notes**

(a) Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

(b) The Company has entered into the agreements with customers for sales of goods and services. The Company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts, where the Company has obligation to deliver the goods and perform specified services to a customer for which the Company has received consideration. Contract liabilities have increased in the current year on account of increase in advance from customer pursuant to increase in business.

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **16 OTHER LIABILITIES** | | | | |
| Deferred government grant {refer note (i) below} | - | - | 13.36 | 21.05 |
| Derivative liability | - | - | - | 0.05 |
| Statutory dues payable | - | - | 36.50 | 32.00 |
| | - | - | **49.86** | **53.10** |

**Notes:**

**(i) Movement of deferred government grant**

It represents the government grants relating to the purchase of property, plant and equipment are included in current liabilities as deferred income and are credited to profit or loss when the Company has complied with the condition attached to the grant. The following table summaries the movement in deferred government grant:

| | | | | |
|---|---|---|---|---|
| **Opening balance** | - | - | 21.05 | 18.35 |
| Accrual of grant related to assets | - | - | 10.93 | 6.57 |
| Grant related to income realised | - | - | (18.62) | (3.87) |
| **Closing balance** | - | - | **13.36** | **21.05** |

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **17 CURRENT TAX LIABILITY** | - | - | 16.08 | - |
| Current tax liabilities (net of advance tax and tax deducted at source) | - | - | **16.08** | - |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| **18 REVENUE FROM OPERATIONS** | | | |
| **Revenue from contract with customers** | | | |
| Sale of products | | 4,685.20 | 3,524.32 |
| Sale of services | | 192.11 | 113.56 |
| | **(A)** | **4,877.31** | **3,637.88** |
| **Other operating revenues** | | | |
| Other operating revenues | | 82.42 | 62.76 |
| | **(B)** | **82.42** | **62.76** |
| **Total revenue from operations** | **(A) + (B)** | **4,959.73** | **3,700.64** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | | |
|---|---|---|---|
| | **Notes:** | | |
| (i) | **Timing of revenue recognition** | | |
| | Goods transferred at a point in time | 4,685.20 | 3,524.32 |
| | Services transferred over the time | 192.11 | 113.56 |
| | **Total revenue from contract with customers** | **4,877.31** | **3,637.88** |
| | Add: Other operating revenues | 82.42 | 62.76 |
| | **Total revenue from operations** | **4,959.73** | **3,700.64** |
| (ii) | **Revenue by location of customers** | | |
| | Within India | 4,578.35 | 3,341.86 |
| | Outside India | 381.38 | 258.78 |
| | **Total revenue from operations** | **4,959.73** | **3,700.64** |
| (iii) | **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price** | | |
| | Revenue as per contracted price | 4,989.01 | 3,730.03 |
| | Cash/sales discount | (24.06) | (19.97) |
| | Other sales incentive schemes | (87.64) | (72.18) |
| | **Revenue from contract with customers** | **4,877.31** | **3,637.88** |
| | Add: Other operating revenues | 82.42 | 62.76 |
| | **Total revenue from operations** | **4,959.73** | **3,700.64** |

(iv) **Unsatisfied performance obligations:**

Information about the Company's performance obligations are summarised below:

**Sale of products:** Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers.

**Sales of services:** The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance of the customer.

The transaction price allocated to remaining performance obligation (unsatisfied performance obligation) pertaining to sales of services as at 31 March 2022 and expected time to recognise the same as revenue is as follows:

| | | |
|---|---|---|
| Within one year | 80.84 | 31.01 |
| More than one year | - | - |
| | **80.84** | **31.01** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| **19** | **OTHER INCOME** | | |
| | Interest income on financial assets carried at amortised cost | | |
| | Deposit with banks | 1.03 | 1.99 |
| | Others | 0.24 | - |
| | Interest on income tax refund | 0.92 | - |
| | Dividend income from non-current investments measured at cost | 33.65 | 19.98 |
| | Share in profit from partnership firms | 13.75 | 8.50 |
| | Gain on settlement of financial liability measured at amortised cost | 12.59 | - |
| | Fair value gain on financial assets/liabilities measured at fair value through profit and loss | 2.52 | 0.56 |
| | Rental income | - | 1.89 |
| | **Other non-operating income** | | |
| | Gain on sale of property, plant and equipment (net) | 3.91 | 4.47 |
| | Exchange fluctuations (net) | - | 8.17 |
| | Liabilities no longer required written back | 6.49 | 1.26 |
| | Profit from sale of current investment | 2.90 | 4.30 |
| | Corporate guarantee income | 1.32 | - |
| | Miscellaneous income | 0.60 | 3.50 |
| | | **79.92** | **54.62** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 20 | COST OF RAW MATERIALS AND COMPONENTS CONSUMED | | |
| | Raw materials and components at the beginning of the year | 162.45 | 120.01 |
| | Add: Purchases | 2,700.81 | 2,036.84 |
| | Less: Raw materials and components at the end of the year | (223.92) | (162.45) |
| | | **2,639.34** | **1,994.40** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 21 | PURCHASES OF TRADED GOODS | 685.52 | 465.47 |
| | | **685.52** | **465.47** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 22 | CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK IN PROGRESS | | |
| | **Inventories at the end of the year:** | | |
| | Work-in-progress | 50.06 | 47.50 |
| | Finished goods | 67.96 | 53.54 |
| | Traded goods | 69.10 | 65.67 |
| | | **187.12** | **166.71** |
| | **Inventories at the beginning of the year:** | | |
| | Work-in-progress | 47.50 | 27.86 |
| | Finished goods | 53.54 | 39.16 |
| | Traded goods | 65.67 | 61.18 |
| | | **166.71** | **128.20** |
| | **Net (increase) / decrease in inventories** | **(20.41)** | **(38.51)** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 23 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries, wages and bonus | 538.28 | 422.13 |
| | Contribution to provident and other funds | 26.94 | 21.66 |
| | Employees share based payment expense (refer note 32) | 20.75 | 1.05 |
| | Net defined benefit plan expense (Gratuity and Pension benefit) (Refer note 31) | 10.93 | 10.57 |
| | Staff welfare expense | 36.57 | 28.64 |
| | | **633.47** | **484.05** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 24 | FINANCE COSTS | | |
| | Interest on borrowings | 21.60 | 33.23 |
| | Interest on debt portion of compound financial instrument | 4.88 | - |
| | Exchange differences regarded as an adjustment to borrowing costs; | 1.87 | 1.43 |
| | Interest expense on lease liabilities | 2.41 | 2.18 |
| | Other borrowing costs | 3.18 | 1.69 |
| | | **33.94** | **38.53** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 25 | DEPRECIATION AND AMORTISATION EXPENSE | | |
| | Depreciation on property, plant and equipment (refer note 3) | 158.17 | 140.27 |
| | Amortisation on intangible assets (refer note 5) | 25.77 | 29.27 |
| | Depreciation on right-of-use assets (refer note 4) | 6.58 | 8.31 |
| | | **190.52** | **177.85** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| **26** | **OTHER EXPENSES** | | |
| | Power and fuel | 111.74 | 81.56 |
| | Consumption of stores and spare parts | 81.61 | 60.23 |
| | Job work charges | 65.97 | 36.44 |
| | Rent expense | 22.59 | 19.27 |
| | Repairs and maintenance: | | |
| | Buildings | 12.35 | 9.75 |
| | Plant and machinery | 16.58 | 22.72 |
| | Others | 3.24 | 3.07 |
| | Rates and taxes | 3.14 | 1.62 |
| | Travelling and conveyance expense | 38.02 | 26.14 |
| | Legal and professional charges {refer note (i) below} | 30.38 | 21.13 |
| | Insurance expense | 6.96 | 5.10 |
| | Director's sitting fee | 0.34 | 0.30 |
| | Advertisement and sales promotion expense | 10.59 | 10.21 |
| | Printing and stationery expense | 2.48 | 2.02 |
| | Impairment allowance for trade receivable - credit impaired | 2.64 | 2.20 |
| | Impairment allowance for other financial assets - credit impaired | - | 2.27 |
| | Bad trade written off | 0.23 | - |
| | Contribution towards corporate social responsibility expense (CSR) {refer note 28} | 3.26 | 3.66 |
| | Fair value loss on financial assets/liabilities measured at fair value through profit and loss | - | 5.60 |
| | Warranty expense (refer note 13) | 6.34 | 4.24 |
| | Royalty expenses | - | 3.81 |
| | Freight and other distribution expense | 93.77 | 79.07 |
| | Exchange fluctuations (net) | 2.31 | - |
| | Research and development expenses | 21.13 | 3.71 |
| | Annual maintenance charges | 9.04 | 5.91 |
| | Miscellaneous expenses | 45.30 | 46.00 |
| | | **590.01** | **456.03** |

**Note:**

(i) **Details of payments to auditors**

| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| **As auditor:** | | |
| Audit fee | 0.88 | 1.36 |
| Limited review fee | 0.30 | 0.42 |
| **In other capacities:** | | |
| Certification fee and others | 0.04 | 0.61 |
| Reimbursement of expenses | 0.09 | 0.09 |
| **Total (included in legal and professional charges)** | **1.31** | **2.48** |
| **Others** * | | |
| Other services (included in legal and professional charges) | 0.85 | - |
| Other services (included in share issue expenses under other equity) | - | 0.85 |
| Reimbursement of expenses | - | 0.03 |
| **Total** | **0.85** | **0.88** |

* It represents the payment made to erstwhile statutory auditor who retired out during the year as per the provision of Companies Act 2013

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 27 COMMITMENTS AND CONTINGENCIES

### (A) Contingent liabilities (to the extent not provided for)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (a) | Claims made against the Company not acknowledged as debts (including interest, wherever applicable) | 1.69 | 1.48 |
| (a) | Disputed tax liabilities in respect of pending litigations before appellate authorities | 73.29 | 19.81 |

**Notes:**

(i) Claims / suits filed against the Company not acknowledged as debts which represents various legal cases filed against the company. The Company has disclaimed the liability and defending the action. The Company has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

(ii) The various disputed tax litigations are as under:

| Particulars | Disputed amoutn as at 31 March 2022 | Disputed amoutn as at 31 March 2021 |
|---|---|---|
| Income tax matters (Disallowances and additions made by the income tax department) | 4.57 | 9.30 |
| Excise / Custom/ Service tax matters (Demands raised by the excise / custom / service tax department ) | 5.15 | 5.13 |
| Sales tax / VAT matters (Demands raised by the Sales tax / VAT department ) | 63.53 | 3.33 |
| Goods and service tax matters (Demands raised by the GST department ) | 0.04 | 2.05 |
| **Total** | **73.29** | **19.81** |

**Note:** The Company has ongoing disputes with various judicial forums relating to tax treatment of certain items in respect of income tax, excise, sales tax, VAT, service tax and GST. The Company is contesting these demands and the management believes that our postition will likely to be upheld in the appellate process and accordingly no provision has been accrued in the financial statements to these demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

(c) Corporate guarantees given by the Company and outstanding as at 31 March 2022 amounting to ₹ 130.73 Crores (₹ 130.73 Crores as on 31 March 2021) in respect of loans taken by related parties. Further, the Company has also provided 'letter of comfort' amounting to ₹ 16.36 Crores (previous year ₹ 16.36 Crores as on 31 March 2021) in respect of loans taken by related party from banks.

(d) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 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. Subsequently, a review petition against this decision is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the standalone financial statements.

### (B) Capital and other commitments (net of advance)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (a) | Estimated amount of contracts remaining to be executed on account of capital and other commitments (net of advance) and not provided for | 27.57 | 12.40 |
| (b) | Estimated amount of investment to be made as per government incentive scheme | 167.89 | 199.34 |

(c) During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the Company amounting to ₹ 0.39 Crores towards revised CLU (change of land use) charges for the land situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, and Haryana (Manesar land). The Company paid ₹0.02 Crores and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further,

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

the Company had deposited ₹0.09 Crores as under protest with the authorities. During the previous years, the Company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the Company had withdrawn the petition and accordingly had asked Town and Country Planning, Chandigarh to review and waive of the liability of remaining balance of ₹0.28 Crores and the interest thereon amounting to ₹0.50 Crores (previous year ₹0.47 Crores) towards revised CLU charges after adjusting the amount of ₹0.11 Crores paid earlier.

(d) The Company had applied for grant of license under 'Affordable Housing Policy- 2013' on the land measuring 5 acres in Manesar land and paid scrutiny fee (non-refundable) amounting to ₹0.03 Crores in this respect, which was received during the earlier year. The Company had paid ₹0.43 Crores towards CLU charges during the previous year. The Company had further applied for grant of similar license on additional land measuring 5 acres in Manesar land.

During the previous year, the Company had applied for migration of license received under 'Affordable Housing Policy-2013' admeasuring 5 acres to "Deen Dayal Awas Yojna Scheme" of the Government and withdrawn other pending applications. Further, the Company had applied for Manesar land admeasuring 10 acres (including share of a subsidiary "Mindarika Private Limited") under "Deen Dayal Awas Yojna Scheme" and paid application money of ₹ 0.92 Crores.

(e) During the previous year, the Company had considered the option of re-locating the manufacturing units from Sector 81, Gurgaon to Bawal, Dharuhera, IMT Manesar, Farrukhnagar. The Company considered factors such as price, distance and convenience of employees and other stake holders' and was of the view that shifting to Farrukhnagar would be a suitable option. In this respect, the Company had taken on lease land admeasuring 14.37 acres in Farrukhnagar, Haryana (which is close to existing Manesar plant) and took land on lease for 99 years at a lump-sum rent of ₹ 0.05 Crores for entire tenure. The Company has received CLU (change of land use from agricultural to industrial) for Farrukhnagar land on March 17, 2022. As the CLU is received in March 2022, the Company will cancel the lease and purchase the land at fair market price as determined by registered valuer.

(f) The Company has given letter of support to its subsidiary companies namely "Minda Storage Batteries Private Limited" and "Global Mazinkert S.L." considering the financial situation of these companies.

(g) Liability of customs duty towards export obligation undertaken by the Company under "Export Promotion Capital Goods Scheme (EPCG)" amounting to ₹ 5.52 crores (₹ 6.60 crores as on 31 March 2020).

As per the EPCG terms and conditions, Company needs to export ₹ 33.12 crores (₹ 39.59 crores as on 31 March 2020) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. If the Company does not export goods in prescribed time, then the Company may have to pay interest and penalty thereon.

(h) The Company has availed MSIP incentive from the Ministry of Electronics amounting to ₹ 7.84 crores (March 3, 2021: ₹ Nil). In accordance with the MSIP guidelines, the amount may be refundable to the government if the specified conditions are not fulfilled within prescribed time.

### (C) Undrawn committed borrowing facility

During the year, the Company has availed unsecured working capital limit amounting to ₹ 422.00 Crores from different banks out of which ₹ 269.49 remains undrawn as at 31 March 2022.

## 28 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 for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as below:

**Details of CSR Expenditure:** ( in Million)

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Contribution to Suman Nirmal Minda Charitable Trust | 3.26 | 3.26 |
| Others | - | - |
| Accural towards unspent obligation in relation to | | |
| Ongoing Project | - | 0.40 |
| Other than ongoing Project | - | - |
| **Total** | **3.26** | **3.66** |
| Less: Excess spent during the year to be carry forward to next year | - | - |
| **Amount recognised in Statement of Profit and Loss** | **3.26** | **3.66** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Amount required to be spent as per section 135 of the Act | 3.26 | 3.66 |
| Amount approved by board to be spent during the year | 3.26 | 3.66 |
| Amount spent during the year on | | |
| (i) Construction/ acquisition of assets | - | - |
| (ii) Contribution to trust / universities | 3.26 | 3.26 |
| (iii) On purpose other than above | - | - |
| **Total Amount Spent** | **3.26** | **3.26** |
| **Amount yet to be spent** | **-** | 0.40 |
| **Total** | **3.26** | **3.66** |
| Less: Excess spent during the year to be carry forward to next Financial Year | - | - |
| **Total** | **3.26** | **3.66** |

**Details of ongoing CSR projects under Section 135(6) of the Act**

| Year | Opening Balance | | Amount required to be spent during the year | Amount spent during the year | | Closing Balance | |
|---|---|---|---|---|---|---|---|
| | With the Company | In Separate CSR Unspent A/c | | From Company's bank account | From Separate CSR Unspent account | With the Company | In Separate CSR Unspent A/c |
| 2020-21 | - | - | 3.66 | 3.26 | - | | 0.40 |
| 2021-22 | - | 0.40 | 3.26 | 3.26 | 0.40 | - | - |

**Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects**

| Year | Balance unspent at the beginning of the year | Amount deposited in Specified Fund of Schedule VII of the Act within 6 months | Amount required to be spent during the year | Amount spent during the year | Balance unspent at the end of the year |
|---|---|---|---|---|---|
| 2020-21 | - | - | - | - | - |
| 2021-22 | - | - | - | - | - |

**Details of excess CSR expenditure under Section 135(5) of the Act**

| Year | Balance excess spent at the beginning of the year | Amount required to be spent during the year | Amount spent during the year | Balance excess spent at the end of the year |
|---|---|---|---|---|
| 2020-21 | - | 3.66 | 3.26 | - |
| 2021-22 | - | 3.26 | 3.26 | - |

Note: During the current year, the Company has contributed ₹ 3.26 to Suman Nirmal Minda Charitable Trust ("Charitable Trust") as a contribution towards ongoing project to be undertaken by the Charitable trust, however as at 31 March 2022, the charitable trust has spent ₹ 1.89 Crores for the purpose and balance amount of ₹ 1.37 Crores has been transferred to "Unspent CSR account" as per section 135(6) of the Companies Act 2013.

## 29 SEGMENT INFORMATION

The Company deals in only one business segment of manufacturing and sale of auto ancillary equipments and the chief operating decision maker (CODM) reviews the operations of the company as a whole, hence there is no reportable segments as per Ind AS 108 "Operating Segments". However the Company has disclosed the following entity wide disclosure as follows:

| Particulars | Within India | Outside India | Total |
|---|---|---|---|
| **Revenue from operation by location of customers** | | | |
| Year Ended 31 March 2022 | 4,578.35 | 381.38 | 4,959.73 |
| Year Ended 31 March 2021 | 3,441.86 | 258.78 | 3,700.64 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Particulars | Within India | Outside India | Total |
|---|---|---|---|
| **Total assets by geographical location** | | | |
| Year Ended 31 March 2022 | 4,164.05 | 92.28 | 4,256.33 |
| Year Ended 31 March 2021 | 3,700.10 | 102.40 | 3,802.50 |
| **Non-current operating assets by geographical location** | | | |
| Year Ended 31 March 2022 | 1,428.33 | - | 1,428.33 |
| Year Ended 31 March 2021 | 1,364.19 | - | 1,364.19 |
| **Capital expenditure - Property plant and equipments by geographical location** | | | |
| Year Ended 31 March 2022 | 217.91 | - | 217.91 |
| Year Ended 31 March 2021 | 211.89 | - | 211.89 |
| **Capital expenditure - Intangible assets by geographical location** | | | |
| Year Ended 31 March 2022 | 24.43 | - | 24.43 |
| Year Ended 31 March 2021 | 23.84 | - | 23.84 |

**Notes:**

(i) Capital expenditure consists of additions of property, plant and equipment, Capital work in progress and intangible assets net of capitalisation from previous year.

(ii) There are no customers having revenue exceeding 10% of total revenue of the Company

(iii) Non-current operating assets consist of property, plant and equipment, right of use assets, goodwill, intangible assets, intangible assets under development and other non-current assets.

## 30 EARNINGS PER SHARE (EPS)

| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| **Basic Earnings per share** | | |
| Profit after taxation | 196.03 | 118.98 |
| Weighted average number of equity shares outstanding during the year | 28,13,83,398 | 26,73,78,821 |
| **Basis earnings per share (one equity share of ₹ 2/- each)** | **6.97** | **4.45** |
| **Diluted Earnings per share** | | |
| Profit after taxation | 196.03 | 118.98 |
| Weighted average number of equity shares for basic earning per share | 28,13,83,398 | 26,73,78,821 |
| Effect of dilution | 11,29,887 | 1,13,08,395 |
| Weighted average number of equity shares outstanding during the year adjusted for the effect of dilution | 28,25,13,285 | 27,86,87,216 |
| **Diluted earnings per share (one equity share of ₹ 2/- each)** | **6.94** | **4.27** |

## 31 GRATUITY AND OTHER POST RETIREMENT BENEFIT PLANS

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

### (A) Defined benefit plan

**The Company operates following defined benefit obligations:**

**(a)** Gratuity: The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust 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. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(b)** Pension : The Company operates a defined benefit pension plan for its eligible employees which entitles the eligible employees certain benefit in form of guaranteed pension payable for life.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plan:-

**(i) Net defined benefit asset/ (liability) recognised in the balance sheet**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Present value of defined benefit obligation | 4.01 | 4.01 | 67.26 | 60.63 |
| Fair value of plan assets | - | - | (13.19) | (11.99) |
| **Net asset/(liability) recognised in standalone balance sheet** | **4.01** | **4.01** | **54.07** | **48.64** |
| Non-current portion term (refer note 13) | 4.01 | 4.01 | 50.65 | 45.47 |
| Current portion (refer note 13) | - | - | 3.42 | 3.17 |

**(ii) Net defined benefit expense (recognised in the statement of profit and loss for the year)**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| Current service cost | - | - | 7.99 | 7.09 |
| Interest cost (net) | - | 0.30 | 2.94 | 3.18 |
| **Net defined benefit expense debited to statement of profit and loss** | **-** | **0.30** | **10.93** | **10.27** |

**(iii) The reconciliation of opening and closing balances of the present value of the defined benefit obligation are as below-**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| Present value of obligation as at the beginning of the year | 4.01 | 4.03 | 60.63 | 57.74 |
| Current service cost | - | - | 7.99 | 7.09 |
| Interest cost | - | 0.30 | 3.76 | 3.94 |
| Re-measurement of (Gain)/loss recognised in other comprehensive income arising from: | | - | - | - |
| Actuarial changes arising from changes in demographic assumptions | - | - | - | - |
| Actuarial changes arising from changes in financial assumptions | - | (0.17) | (3.52) | (0.22) |
| Actuarial changes arising from changes in experience adjustments | - | (0.15) | 4.88 | (3.40) |
| Benefits paid | - | - | (6.48) | (3.82) |
| Transfer in/(out) liability | - | - | - | (0.70) |
| **Closing defined benefit obligation** | **4.01** | **4.01** | **67.26** | **60.63** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(iv) Reconciliation of opening and closing balances of fair value of plan assets:**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| Fair value of plan assets at the beginning of the year | - | - | **11.99** | **10.72** |
| Expected return on plan assets | - | - | 0.82 | 0.76 |
| Employer contribution | - | - | 0.65 | 0.98 |
| Actuarial gain/loss for the year | - | - | 0.13 | 0.08 |
| Benefits paid | - | - | (0.40) | (0.55) |
| **Fair value of plan assets at the end of the year** | - | - | **13.19** | **11.99** |

**(v) Re-measurements Gain/ (loss) recognised in other comprehensive income (OCI):**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| Re-measurement of (Gain)/loss recognised in other comprehensive income arising from: | | | | |
| Actuarial changes arising from changes in demographic assumptions | - | - | - | - |
| Actuarial changes arising from changes in financial assumptions | - | (0.17) | (3.52) | (0.22) |
| Actuarial changes arising from changes in experience adjustments | - | (0.16) | 4.88 | (3.40) |
| Return on plan assets, excluding amount recognised in net interest expense | - | - | (0.13) | - |
| **Recognised in other comprehensive income** | - | **(0.33)** | **1.23** | **(3.62)** |

**(vi) Broad categories of plan assets as a percentage of total assets**

| Particulars | Pension | | Gratuity | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Funds managed by insurer | - | - | 100% | 100% |

**(vii) Principal actuarial used in recognition of Defined benefit obligation are as follows:**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| Discount rate | 7.00% | 5.91% | 7.20% | 6.80% -6.94% |
| Future salary increase | 5.50% | 5.50% | 6.00% - 8.00% | 5.50% - 8.00% |
| Expected return on plan assets | - | - | 8.00% | 8.00% |
| Retirement age (in years) | 58 | 58 | 58 | 58 |

**Mortality rate**

| Particulars | 100% of IALM (2012-14) | 100% of IALM (2006-08) | 100% of IALM (2012-14) | 100% of IALM (2012-14) |
|---|---|---|---|---|
| Attrition rates based on age (per annum): | | | | |
| Up to 30 years | 3.00 | 3.00 | 3%-12% | 3%-12% |
| From 31 to 44 years | 2.00 | 2.00 | 2%-10% | 2%-10% |
| Above 44 years | 1.00 | 1.00 | 1%-3% | 1%-3% |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(viii) Quantitative sensitivity analysis for significant assumptions is as shown below:**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 |
| 1% increase in discount rate | (0.47) | (0.53) | (7.76) | (7.07) |
| 1% decrease in discount rate | 0.56 | 0.73 | 9.32 | 7.93 |
| 1% increase in salary escalation rate | 0.93 | 0.67 | 8.18 | 6.98 |
| 1% decrease in salary escalation rate | (0.40) | (0.62) | (7.08) | (6.51) |
| 50% increase in attrition rate | (0.66) | (0.60) | (0.27) | (0.75) |
| 50% decrease in attrition rate | 0.66 | 0.61 | 0.24 | 0.23 |
| 10% increase in mortality rate | (0.03) | (0.60) | (0.00) | (0.28) |
| 10% decrease in mortality rate | 0.02 | 0.60 | 0.01 | 0.27 |

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

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | For the year ended 31 March 2022 | For the year ended 31 March 2021 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| Within 1 year | 0.02 | 0.27 | 3.47 | 3.17 |
| 2 to 5 years | 0.52 | 0.97 | 12.88 | 11.37 |
| 6 to 10 years | 2.22 | 1.94 | 26.31 | 22.75 |
| More than 10 years | 8.87 | 11.19 | 164.15 | 131.35 |

**(x) The weighted average duration of the defined benefit plan obligation**

| Particulars | Pension Benefits | | Gratuity Benefits | |
|---|---|---|---|---|
| | For the year ended 31 March 2022 | For the year ended 31 March 2021 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| The weighted average duration of the defined benefit plan obligation at the end of the reporting period | 13 years | 14 years | 13 years | 14 years |

**(xi)** The plan assets are maintained with Life Insurance Corporation of India (LIC).

**(xii)** Enterprise best estimate of contribution during the next year is ₹ 62.72 Crores (31 March 2021: ₹ 55.69 Crores)

**(xiii)** Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

**(xiv)** The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period while holding all other assumptions constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

**(xv)** The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

**(xvi)** The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### (B) Defined contribution plan

Following are the contribution to Defined Contribution Plan, recognised as expense for the year:

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| (i) Provident fund paid to the authorities | 24.54 | 19.32 |
| (ii) Employee state insurance paid to the authorities | 1.81 | 1.85 |
| (iii) Superannuation fund | 0.59 | 0.49 |
| **Total** | **26.94** | **21.66** |

## 32 SHARE BASED PAYMENTS

**UNO Minda Employee Stock Option Scheme – 2019**

The shareholders of the Company had approved the UNO Minda Employee Stock Option Scheme – 2019 (herein referred as UNOMINDA ESOS-2019) through postal ballot resolution dated 25 March 2019. The employee stock option scheme is designed to provide incentives to eligible employees of the company and its subsidiaries.

This scheme provided for conditional grant of stock options at nominal value to eligible employees as determined by the Nomination and Remuneration Committee from time to time. The vesting conditions under this scheme include the Company achieving the target market capitalisation. The maximum number of equity shares to be granted under the scheme shall not exceed 7,866,500 options. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors 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.

During the year, the nomination and remuneration committee vide its resolution dated 19 July 2021 has modified the vesting condition for achieving target of market capitalisation (closing price) from 27,000 Crores to 24,000 Crores on any day till 31 May 2022. Accordingly the company has accounted the said modification in accordance with Ind AS 102 "Share based payments".

**Set out below is the summary of options granted under the plan:**

| Particulars | Average exercise price per share | No. of option as at 31 March 2022 | Average exercise price per share | No. of option as at 31 March 2021 |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 325 | 10,75,312 | 325 | 10,12,259 |
| Granted during the year | 325 | 1,62,340 | 325 | 88,325 |
| Forfeited/ Expired during the year | 325 | (1,83,246) | 325 | (25,272) |
| Exercised during the year | 325 | - | 325 | - |
| **Outstanding at the end of the year** | **325** | **10,54,406** | **325** | **10,75,312** |

No options were exercised during the year ended 31 March 2022 and 31 March 2021

**Share options outstanding at the end of the current year and previous year have the following expiry date and exercise prices:**

| Date of Grant | Date of expiry | Exercise Price | Share option as at 31 March 2022 | Share option as at 31 March 2021 |
|---|---|---|---|---|
| 16-05-2019 | 2 years from the date of vesting | 325 | 8,49,156 | 9,86,987 |
| 28-01-2021 | 2 years from the date of vesting | 325 | 46,491 | 88,325 |
| 13-06-2021 | 2 years from the date of vesting | 325 | 1,58,759 | - |
| **Total** | | | **10,54,406** | **10,75,312** |

**Fair valuation**

The fair value at grant date of options granted during the year ended 31 March 2022 was ₹ 390.30 per option (31 March 2021 – ₹ 41.31). The fair value at grant date is independently determined using the Monte Carlo Simulation using Geometric Brownian Motion (GBM) which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

**The model inputs for options granted during the year includes the following:**

(a) Options are granted for no consideration and vested options are exercisable for a period of two years after vesting

(b) Exercise Price: ₹ 325 (31 March 2021 - ₹ 325)

(c) Grant date: 13 June 2021 (31 March 2021 – 28 January 2021)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(d) Expiry date: 2 years from the date of vesting (31 March 2021 – 2 years from the date of vesting )
(e) Share price at grant date: ₹ 612.95 (31 March 2021 – ₹ 318.00)
(f) Expected price volatility of the company's shares: 44.70% (31 March 2021 – 41%)
(g) Expected dividend yield: 0.32% (31 March 2021 – 0.63%)
(h) Risk-free interest rate: 5.19% (31 March 2021– 7.13%)

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

### 33 RELATED PARTY DISCLOSURES

The related parties as per the terms of Ind AS-24,"Related Party Disclosures", {under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)}, as disclosed below:

**(A) Names of related parties and description of relationship:**

(i) **Related parties where control exists:**

| Entity Name | Relationship |
|---|---|
| Minda Kyoraku Limited | Subsidiary |
| PT Minda Asean Automotive | Subsidiary |
| PT Minda Trading | Stepdown subsidiary |
| SAM Global Pte. Limited | Subsidiary |
| Minda Korea Co. Limited | Stepdown subsidiary (w.e.f. 18 June 2020) |
| Minda Industries Vietnam Company Limited | Stepdown subsidiary |
| UNO Minda Europe GmbH (formerly known as Minda Delvis GmbH) {refer note 6(A)(c)} | Stepdown subsidiary |
| UNO Minda Systems GmbH (formerly known as Delvis Products) {refer note 6(A)(c)} | Stepdown subsidiary |
| Creat GmbH (formerly known as Delvis Solutions) | Stepdown subsidiary |
| Global Mazinkert S.L. | Subsidiary |
| Clarton Horn, Spain | Stepdown subsidiary |
| Clarton Horn Maroc SARL | Stepdown subsidiary |
| Clarton Horn, Signalakustic GmbH | Stepdown subsidiary |
| Clarton Horn, Mexico S. De R. L. De C.V. | Stepdown subsidiary |
| Light & Systems Technical Centre S.L. Spain | Stepdown subsidiary |
| Minda Storage Batteries Private Limited | Subsidiary |
| Mindarika Private Limited | Subsidiary |
| Minda Katolec Electronics Services Private Limited | Subsidiary |
| MI Torica India Private Limited | Subsidiary |
| MITIL Polymer Private Limited | Stepdown subsidiary |
| Harita Fehrer Limited | Subsidiary |
| UNOMINDA EV Systems Private Limited | Subsidiary (w.e.f. 16 December 2021) |
| UNOMINDA Auto Systems Private Limited | Subsidiary (w.e.f. 16 December 2021) |

| Partnership firm | Relationship |
|---|---|
| YA Auto Industries | Subsidiary |
| Auto Component | Subsidiary (w.e.f. 1 January 2022) |
| Samaira Engineering | Subsidiary (w.e.f. 1 January 2022) |
| S.M. Auto Industries | Subsidiary (w.e.f. 1 January 2022) |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

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

| Entity Name | Relationship |
|---|---|
| Minda NexGenTech Limited | Associate |
| Kosei Minda Aluminium Company Private Limited | Associate |
| Strongsun Renewables Private Limited | Associate (w.e.f. 6 April 2021) |
| CSE Dakshina Solar Private Limited | Associate (w.e.f. 31 May 2021) |

| Partnership firms | Relationship |
|---|---|
| Auto Component | Associate (upto 31 December 2021) |
| Yogendra Engineering | Associate |

| Entity Name | Relationship |
|---|---|
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | Joint venture |
| Roki Minda Co. Private Limited | Joint venture |
| Rinder Riduco, S.A.S. Columbia | Joint venture (Stepdown Joint Venture of Global Mazinkert) |
| Minda TTE Daps Private Limited (formerly Minda Daps Private Limited) | Joint venture |
| Minda Onkyo India Private Limited | Joint venture |
| Minda D-Ten India Private Limited | Joint venture |
| Denso Ten Minda India Private Limited | Joint venture |
| Toyoda Gosei Minda India Private Limited | Joint venture |
| Kosei Minda Mould Private Limited | Joint venture |
| Minda TG Rubber Private Limited | Joint venture (w.e.f. March 15, 2021) |
| Tokai Rika Minda India Private Limited | Joint venture (w.e.f. March 24, 2021) |

(iii) **Key management personnel**

| Name | Relationship |
|---|---|
| Mr. Nirmal K. Minda | Chairman and Managing Director ('CMD') |
| Mr. Ravi Mehra | Whole-time director (w.e.f 1 April 2021) |
| Mr. Anand K. Minda | Director |
| Mr. Satish Sekhri | Independent Director |
| Mr. Chandan Chowdhury | Independent Director (upto 6 August 2021) |
| Mr. Krishan Kumar Jalan | Independent Director |
| Ms. Pravin Tripathi | Independent Director |
| Mr. Rakesh Batra | Independent Director (w.e.f 19 July 2021) |
| Mr. Sunil Bohra | Chief Financial Officer (CFO) |
| Mr. Tarun Kumar Srivastava | Company Secretary |

| Relatives of key management personnel | Relationship |
|---|---|
| Mrs. Suman Minda | Spouse of CMD |
| Mrs. Paridhi Minda | Director of MIL and daughter of CMD |
| Mrs. Pallak Minda | Daughter of CMD |
| Mr. Vivek Jindal | Son-in-law of CMD |
| Mr. Saurabh Jindal | Son-in-law of CMD |
| Mr. Amit Minda | Son of KMP |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iv) **Other entities over which key management personnel and their relatives are able to exercise significant influence**

| Entity Name | Relationship |
|---|---|
| Minda Investments Limited | Entities over which key management personnel and their relatives are able to exercise significant influence |
| Minda Infrastructure LLP | |
| Singhal Fincap Limited | |
| Shankar Moulding Limited | |
| Minda Nabtesco Automotive Private Limited | |
| Minda I Connect Private Limited | |
| Minda Projects Limited | |
| S.N. Castings Limited | |
| Minda Spectrum Advisory Limited | |
| Paripal Advisory LLP | |
| Suman Nirmal Minda Charitable Trust | |

| Partnership firm | Relationship |
|---|---|
| Samaira Engineering | Entities over which key management personnel and their relatives are able to exercise significant influence (upto 31 December 2021) |
| S.M. Auto Industries | |

**(B) Transactions with related parties**

| Particulars | Entities where control exists (including partnership firms where Company has control) | | Associates (including partnership firms where Company has significant influence) | | Joint venture companies | | Entities over which key management personnel and their relatives are able to exercise significant influence | | Key management personnel and relatives | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 |
| Sale of goods | 99.51 | 71.91 | 0.15 | 0.48 | 33.80 | 26.10 | 32.26 | 19.92 | - | - |
| Purchase of goods | 591.83 | 355.28 | 72.61 | 83.17 | 20.32 | 14.40 | 202.23 | 192.92 | - | - |
| Sale of property, plant and equipment | 4.45 | 5.24 | - | - | - | - | - | 0.07 | - | - |
| Purchase of property, plant and equipment | 0.02 | 13.44 | - | - | - | - | 15.11 | 18.00 | - | - |
| Services received | 24.93 | 16.75 | 0.56 | 0.71 | 0.04 | 0.19 | 19.86 | | 1.74 | 1.94 |
| Services rendered | 103.24 | 59.19 | 0.03 | 0.01 | 14.52 | 15.85 | 1.80 | 0.68 | - | - |
| Remuneration | - | - | - | - | - | - | - | - | 23.02 | 11.49 |
| Sitting Fees | - | - | - | - | - | - | - | - | 0.35 | 0.30 |
| Dividend income | 20.47 | 17.42 | - | 2.56 | 13.18 | - | - | - | - | - |
| Share in profit from partnership firms | 10.27 | 4.49 | 3.01 | 4.01 | - | - | - | - | - | - |
| Royalty income | 10.52 | 6.22 | 1.17 | 1.06 | - | - | 0.73 | 0.84 | - | - |
| Dividend paid | - | - | - | - | - | - | 8.00 | 2.53 | 11.26 | 3.72 |
| Investment made | 63.12 | 4.78 | 8.06 | 3.70 | 6.98 | 89.89 | 12.09 | 22.59 | - | - |
| Corporate Social Responsibility (CSR) Expense | - | - | - | - | - | - | 3.26 | 3.66 | - | - |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(C) Balances with related parties at the year end**

| Particulars | Entities where control exists (including partnership firms where Company has control) | | Associates (including partnership firms where Company has significant influence) | | Joint venture companies | | Entities over which key management personnel and their relatives are able to exercise significant influence | | Key management personnel and relatives | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 |
| Receivables | 87.97 | 43.37 | - | - | 13.93 | 10.55 | 8.05 | 16.77 | - | - |
| Payables | 158.36 | 82.32 | - | 12.65 | 2.91 | - | 13.08 | 36.11 | 7.35 | 4.50 |
| Guarantee / Letter of comfort | 147.09 | 147.09 | - | - | - | - | - | - | - | - |

**(D) Material transactions with related parties**

**(i) Material transactions with related parties for the year ended 31 March 2022**

| Particulars | Amount |
|---|---|
| **Sale of goods** | |
| Clarton Horn | 39.52 |
| Minda I-Connect Private Limited | 26.36 |
| Minda Katolec Electronics Services Private Limited | 12.78 |
| Minda Korea Co. Limited | 9.27 |
| MITIL Polymer Private Limited | 7.76 |
| Toyoda Gosei Minda India Private Limited | 27.06 |
| | **122.75** |
| **Purchase of goods** | |
| Auto Component | 93.44 |
| Minda Katolec Electronics Services Private Limited | 81.03 |
| Minda Storage Batteries Private Limited | 90.96 |
| MITIL Polymer Private Limited | 177.98 |
| S.N. Castings Limited | 27.69 |
| Samaira Engineering | 170.39 |
| YA Auto Industries | 69.93 |
| | **711.42** |
| **Sale of property, plant and equipment** | |
| Minda Industries Vietnam Company Limited | 1.92 |
| PT Minda Asean Automotive | 2.53 |
| | **4.45** |
| **Purchase of property, plant and equipment** | |
| Minda Infrastructure LLP | 15.11 |
| | **15.11** |
| **Services received** | |
| Light & Systems Technical Center, S.L. | 20.56 |
| Minda Investments Limited | 9.16 |
| Minda Projects Limited | 2.09 |
| Paripal Advisory LLP | 6.04 |
| | **37.85** |
| **Services rendered** | |
| Minda Kosei Aluminium Wheel Private Limited | 28.83 |
| Minda Kyoraku Limited | 7.75 |
| Mindarika Private Limited | 37.48 |
| PT Minda Asean Automotive | 6.05 |
| Roki Minda Company Private Limited | 5.28 |
| | **85.39** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Particulars | Amount |
|---|---|
| **Dividend income** | |
| Minda Kyoraku Limited | 2.48 |
| PT Minda Asean Automotive | 9.86 |
| Mindarika Private Limited | 5.26 |
| MI Torica India Private Limited | 0.30 |
| Harita Fehrer Limited | 2.56 |
| Denso Ten Minda India Private Limited | 8.03 |
| Minda D-Ten India Private Limited | 0.78 |
| Roki Minda Company Private Limited | 4.38 |
| | **33.65** |
| **Share in profit from partnership firms** | |
| Auto Component | 4.98 |
| YA Auto Industries | 4.96 |
| Samaira Engineering | 3.34 |
| S.M. Auto Industries | 0.47 |
| | **13.28** |
| **Dividend paid** | |
| Singhal Fincap Limited | 0.82 |
| Minda Finance Limited | 0.37 |
| Minda Investments Limited | 6.78 |
| Suman Minda | 4.00 |
| Nirmal Kr Minda | 6.52 |
| Paridhi Minda | 0.28 |
| Amit Minda | 0.13 |
| Pallak Minda | 0.34 |
| Maa Vaishno Devi Endowment | 0.03 |
| Anand Kumar Minda | 0.00 |
| | **19.27** |
| **Royalty income** | |
| Minda Industries Vietnam Company Limited | 1.89 |
| Auto Component | 1.76 |
| PT Minda Asean Automotive | 7.08 |
| | **10.73** |
| **Investment made** | |
| Strongsun Renewables Private Limited | 2.73 |
| CSE Dakshina Solar Private Limited | 1.70 |
| Minda Onkyo India Private Limited | 6.80 |
| Minda Kyoraku Limited | 0.09 |
| Minda Westport Technologies Limited | 0.18 |
| Minda Kosei Aluminium Wheel Private Limited | 61.20 |
| YA Auto Industries | 1.79 |
| Auto Component | 3.63 |
| S.M. Auto Industries | 3.21 |
| Samaira Engineering | 8.88 |
| UNOMINDA EV Systems Private Limited | 0.03 |
| UNOMINDA Auto Systems Private Limited | 0.01 |
| | **90.25** |
| **Corporate Social Responsibility (CSR) Expense** | |
| Suman Nirmal Minda Charitable Trust | 3.26 |
| | **3.26** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(ii) Material transactions with related parties for the year ended 31 March 2021**

| Related party | Amount |
|---|---|
| **Sale of Goods** | |
| Clarton Horn | 29.48 |
| Toyoda Gosei Minda India Private Limited | 22.56 |
| Minda I Connect Private Limited | 17.55 |
| Minda Katolec Electronics Services Private Limited | 12.04 |
| | **81.63** |
| **Purchase of Goods** | |
| Samaira Engineering | 123.80 |
| MITIL Polymer Private Limited | 110.85 |
| Auto Component | 83.17 |
| Minda Storage Batteries Private Limited | 65.75 |
| YA Auto Industries | 65.74 |
| | **449.31** |
| **Sale of Property, Plant & Equipment** | |
| Minda Katolec Electronics Services Private Limited | 2.18 |
| Mindarika Private Limited | 2.10 |
| Minda Industries Vietnam Company Limited | 0.76 |
| | **5.04** |
| **Purchase of Property, Plant & Equipment** | |
| Minda Infrastructure LLP | 17.97 |
| Light & Systems Technical Center | 11.72 |
| | **29.69** |
| **Services Received** | |
| Minda Investments Limited | 14.68 |
| Light & Systems Technical Center | 9.60 |
| Minda Projects Limited | 4.54 |
| | **28.82** |
| **Services Rendered** | |
| Minda Kosei Aluminium Wheel Private Limited | 18.19 |
| PT Minda Asean Automotive | 8.73 |
| Mindarika Private Limited | 12.61 |
| | **39.53** |
| **Dividend income** | |
| Denso Ten Minda India Private Limited | 2.15 |
| PT Minda Asean Automotive | 12.92 |
| Mindarika Private Limited | 3.34 |
| | **18.41** |
| **Share in profit from partnership firms** | |
| Auto Component | 4.01 |
| YA Auto Industries | 4.49 |
| | **8.50** |
| **Dividend Paid** | |
| Minda Investments Limited | 2.14 |
| Mr Nirmal K Minda | 2.19 |
| Mrs Suman Minda | 1.30 |
| | **5.63** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Related party | Amount |
|---|---|
| **Royalty income** | |
| PT Minda Asean Automotive | 4.56 |
| Minda Industries Vietnam Company | 1.01 |
| Auto Component | 1.06 |
| | **6.63** |
| **Investment made** | |
| Minda Onkyo Private Limited | 13.54 |
| Minda Katolec Electronics Services Private Limited | 10.00 |
| Toyoda Gosei Minda India Private Limited | 33.46 |
| Tokai Rika Minda India Private Limited | 42.89 |
| | **99.89** |
| **Acquisition of shares in Joint Venture** | |
| Minda Finance Limited | 22.59 |
| | **22.59** |
| **Corporate Social Responsibility (CSR) Expense** | |
| Suman Nirmal Minda Charitable Trust | 3.66 |
| | **3.66** |

**(E) Material balances with related parties**

**(i) Material balances Outstanding as at 31 March 2022**

| Particulars | Amount |
|---|---|
| **Payables** | |
| Auto Component | 9.39 |
| Minda Katolec Electronics Services Private Limited | 23.58 |
| Minda Storage Batteries Private Limited | 9.58 |
| MITIL Polymer Private Limited | 39.50 |
| Samaira Engineering | 23.19 |
| | **105.24** |
| **Receivables** | |
| Clarton Horn, spain | 17.95 |
| Minda I-Connect Private Limited | 7.60 |
| Minda Katolec Electronics Services Private Limited | 6.31 |
| Minda Korea Co. Limited | 6.48 |
| Minda Kosei Aluminium Wheel Private Limited | 14.58 |
| UNO Minda Europe GmbH (formerly known as Minda Delvis GmbH) | 4.80 |
| Toyoda Gosei Minda India Private Limited | 8.25 |
| Mindarika Private Limited | 9.13 |
| | **75.10** |
| **Guarantee / Letter of comfort** | |
| Minda Delvis Gmbh | 130.73 |
| PT Minda Asean Automotive | 16.36 |
| | **147.09** |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

**(ii) Material balances as at 31 March 2021**

| Related party | Amount |
|---|---|
| **Payables** | |
| Harita Fehrer Limited | 32.06 |
| MITIL Polymer Private Limited | 25.18 |
| Samaira Engineering | 17.28 |
| | **74.52** |
| **Receivables** | |
| Minda I Connect Private Limited | 16.04 |
| Minda Kosei Aluminium Wheel Private Limited | 13.46 |
| Clarton Horn | 7.80 |
| | **37.29** |
| **Guarantee / Letter of comfort** | |
| Minda Delvis Gmbh | 130.73 |
| PT Minda Asean Automotive | 16.36 |
| | **147.09** |

**Notes:**

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The settlement for these balances occurs through payment. Other than disclosed in note 27 (c) the Company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended 31 March 2022 (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(b) As at 31 March 2022, the Company has not granted any loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person (31 March 2021: Nil).

**(c)** All the liabilities for post retirement benefits being 'Gratuity, compensated absence and pension benefit' are provided on actuarial basis for the Company as a whole, accordingly the amount pertaining to Key management personnel are not included above.

**(F) Key managerial personnel compensation**

**Remuneration to Chairman & Managing Director (CMD)**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Short Term Benefit | 4.79 | 2.29 |
| Commission | 7.35 | 4.50 |
| Others - Allowances | 0.46 | 0.30 |
| **Total** | **12.60** | **7.09** |

**Remuneration to Key Managerial other than CMD**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Short Term Benefit | | |
| Mr. Ravi Mehra (Whole time director) | 4.51 | - |
| Ms. Paridhi Minda (Whole time director) | 0.69 | 0.50 |
| Mr. Sunil Bohra (Chief Financial Officer) | 4.67 | 3.46 |
| Mr. Tarun Kumar Srivastava (Company Secretary) | 0.41 | 0.23 |
| | | |
| Others - Allowances | | |
| Mr. Sunil Bohra (Chief Financial Officer) | 0.08 | 0.17 |
| Mr. Tarun Kumar Srivastava (Company Secretary) | 0.02 | 0.01 |
| Ms. Paridhi Minda | 0.05 | 0.03 |
| **Total** | **10.42** | **4.40** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**Remuneration to Independent Directors**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Sitting Fees | | |
| Mr. Satish Sekhri | 0.10 | 0.09 |
| Ms. Pravin Tripathi | 0.09 | 0.08 |
| Mr. Krishan Kumar Jalan | 0.11 | 0.09 |
| Mr. Chandan Chowdhury | 0.02 | 0.04 |
| Mr. Rakesh Batra | 0.03 | - |
| **Total** | **0.35** | **0.30** |

**Note:** The above remuneration excludes provision for gratuity and leave benefits as separate actuarial valuation is not available.

## 34 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

(i) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements".

(ii) The Company 's investments in subsidiaries are as under:

| Name of the subsidiaries | Country of incorporation | Portion of ownership interest as at 31 March 2022 | Portion of ownership interest as at 31 March 2021 | Method used to account for the investment | Disclosure required under Section 186 (4) of the Companies Act, 2013. | |
|---|---|---|---|---|---|---|
| | | | | | Investment made in FY 2021-22 | Investment made in FY 2020-21 |
| Minda Kyoraku Limited | India | 67.68% | 67.60% | At cost | 0.09 | - |
| Minda Kosei Aluminum Wheel Private Limited | India | 77.36% | 69.99% | At cost | 61.20 | - |
| Minda Storage Batteries Private Limited | India | 100.00% | 100.00% | At cost | - | - |
| YA Auto Industries (partnership firm) | India | 87.50% | 51.00% | At cost | 1.79 | - |
| Auto Component (Partnership Firm) | India | 95.00% | 48.90% | At cost | 3.63 | - |
| Samaira Engineering (Partnership Firm) | India | 87.50% | - | At cost | 8.88 | - |
| S.M. Auto Industries (Partnership Firm) | India | 87.50% | - | At cost | 3.21 | - |
| Minda Katolec Electronic Services Private Limited | India | 51.00% | 51.00% | At cost | - | 10.20 |
| Mindarika Private Limited | India | 51.00% | 51.00% | At cost | - | - |
| Harita Fehrer Limited | India | 100.00% | 100.00% | At cost | - | - |
| MI Torica India Private Limited | India | 60.00% | 60.00% | At cost | - | - |
| UNO MINDA EV Systems Private Limited | India | 100.00% | - | At cost | 0.03 | - |
| UNO MINDA Auto Systems Private Limited | India | 100.00% | - | At cost | 0.01 | - |
| iSYS RTS GmbH | Germany | - | 80.00% | At cost | - | - |
| UNO Minda Europe GMBH | Germany | 40.63% | - | At cost | - | - |
| Global Mazinkert S.L. | Spain | 100.00% | 100.00% | At cost | - | - |
| PT Minda Asean Automotive | Indonesia | 100.00% | 100.00% | At cost | - | - |
| Sam Global Pte Limited | Singapore | 100.00% | 100.00% | At cost | - | - |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iii) The Company's investment in Joint ventures are as under:

| Name of the Joint ventures | Country of incorporation | Portion of ownership interest as at 31 March 2022 | Portion of ownership interest as at 31 March 2021 | Method used to account for the investment | Disclosure required under Section 186 (4) of the Companies Act, 2013. | |
|---|---|---|---|---|---|---|
| | | | | | Investment made in FY 2021-22 | Investment made in FY 2020-21 |
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | India | 49.99% | 49.10% | At cost | 0.18 | - |
| ROKI Minda Co. Private Limited | India | 49.00% | 49.00% | At cost | - | - |
| Minda TTE DAPS Private Limited | India | 50.00% | 50.00% | At cost | - | - |
| Minda Onkyo India Private Limited | India | 50.00% | 50.00% | At cost | 6.80 | 13.54 |
| Minda TG Rubber Private Limited | India | 49.90% | 49.90% | At cost | - | - |
| Denso-Ten Minda India Private Limited | India | 49.00% | 49.00% | At cost | - | - |
| Minda D-ten India Private Limited | India | 51.00% | 51.00% | At cost | - | - |
| Toyoda Gosei Minda India Private Limited | India | 47.80% | 47.80% | At cost | - | 33.46 |
| Kosei Minda Mould Private Limited | India | 49.90% | 49.90% | At cost | - | - |
| Tokai Rika Minda India Private Limited | India | 30.00% | 30.00% | At cost | - | 65.45 |

(iv) The Company's investment in Associates are as under:

| Name of the Associates | Country of incorporation | Portion of ownership interest as at 31 March 2022 | Portion of ownership interest as at 31 March 2021 | Method used to account for the investment | Disclosure required under Section 186 (4) of the Companies Act, 2013 | |
|---|---|---|---|---|---|---|
| | | | | | Investment made in FY 2021-22 | Investment made in FY 2020-21 |
| Minda NexGenTech Limited | India | 26.00% | 26.00% | At cost | - | - |
| Yogendra Engineering (partnership firm) | India | 48.90% | 48.90% | At cost | - | - |
| Kosei Minda Aluminum Company Private Limited | India | 18.31% | 30.00% | At cost | - | - |
| Strongsun Renewables Private Limited | India | 28.10% | - | At cost | 2.73 | - |
| CSE Dakshina Solar Private Limited | India | 27.71% | - | At cost | 1.70 | - |
| Auto Component (Partnership Firm) | India | - | 48.90% | At cost | - | - |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 35 FAIR VALUE MEASUREMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments apart from investment in subsidiary, associates and joint ventures which are carried at cost in accordance with Ind AS 27.

| Category | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **Financial instruments by category** | | | | |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 5.21 | 5.21 | 2.69 | 2.69 |
| Investments measured at fair value through profit and loss: | 10.00 | 10.00 | - | - |
| Unquoted equity investments measured at fair value through profit and loss: | 0.01 | 0.01 | 0.80 | 0.80 |
| | | | | |
| **Financial assets measured at amortised cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 41.52 | 41.52 | 29.02 | 29.02 |
| Trade receivables (current and non current) | 877.98 | 877.98 | 685.32 | 685.32 |
| Cash and cash equivalents | 56.42 | 56.42 | 74.31 | 74.31 |
| Other bank balances (current and non current) | 7.02 | 7.02 | 5.16 | 5.16 |
| **Total** | **998.16** | **998.16** | **797.30** | **797.30** |
| | | | | |
| **Financial liabilities measured at amortised cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 338.66 | 338.66 | 647.82 | 647.82 |
| Lease liabilities (current and non current) | 38.46 | 38.46 | 23.56 | 23.56 |
| Other financial liabilities (current and non current) | 62.45 | 62.45 | 512.98 | 512.98 |
| Trade payables (current and non current) | 868.33 | 868.33 | 780.29 | 780.29 |
| **Total** | **1,307.90** | **1,307.90** | **1,964.65** | **1,964.65** |

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

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

(i) The fair value of unquoted instruments, loans from banks other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

(ii) The fair values of the Company's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2022 was assessed to be insignificant.

(iii) Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(iv) The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(v) The fair value of security deposit has been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.

(vi) The fair values of the investment in mutual fund has been determined based on net assets value (NAV) available in open market.

(vii) The Company has entered into derivative financial instruments with various banks and financial institutions. Interest rate swaps and foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. As at 31 March 2022, the mark-to-market value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the financial instruments recognised at fair value.

(viii) Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose.

(ix) **Fair value hierarchy**

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. The mutual funds are valued using the net assets value (NAV) available in open market. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers among levels 1, 2 and 3 during the year

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognised and measured at Fair value

b) Measured at amortised cost and for which fair value is disclosed in financial statements

**Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2022**

| Particulars | Carrying value | Fair Value | | |
|---|---|---|---|---|
| | As at 31 March 2022 | Level 1 | Level 2 | Level 3 |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 5.21 | - | - | 5.21 |
| Investments measured at fair value through profit and loss: | 10.00 | 10.00 | - | - |
| Unquoted equity investments measured at fair value through profit and loss: | 0.01 | - | - | 0.01 |
| | | | | |
| **Financial assets measured at amortised cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 41.52 | - | - | 41.52 |
| | | | | |
| **Financial liabilities measured at amortised cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 338.66 | - | - | 338.66 |
| Lease liabilities (current and non current) | 38.46 | - | - | 38.46 |
| Other financial liabilities (current and non current) | 62.45 | - | - | 62.45 |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021**

| Particulars | Carrying value | Fair Value | | |
|---|---|---|---|---|
| | As at 31 March 2021 | Level 1 | Level 2 | Level 3 |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 2.69 | - | - | 2.69 |
| Unquoted equity investments measured at fair value through profit and loss: | 0.80 | - | - | 0.80 |
| | | | | |
| **Financial assets measured at amortised cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 29.02 | - | - | |
| | 797.30 | - | - | |
| **Financial liabilities measured at amortised cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 647.82 | - | - | 647.82 |
| Lease liabilities (current and non current) | 23.56 | - | - | 23.56 |
| Other financial liabilities (current and non current) | 512.98 | - | - | 512.98 |

## 36 FOREIGN EXCHANGE FORWARD CONTRACTS

The Company has entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of foreign currency receivables and are entered into for periods consistent with foreign currency exposure of the underlying transactions. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

| Nature of contracts | Currency Hedged | Outstanding Foreign Currency amount as at 31 March 2022* | ₹ in Crores | Outstanding Foreign Currency amount as at 31 March 2021* | ₹ in Crores |
|---|---|---|---|---|---|
| Forward exchange contracts ( Trade Receivables) | US$ | 23,00,000 | 17.44 | 29,73,193 | 21.85 |
| Forward exchange contracts (Trade Receivables) | EURO | 2,50,000 | 2.12 | 3,90,000 | 3.36 |
| Forward exchange contracts (Trade Payables) | US$ | 7,31,000 | 5.54 | - | - |
| Forward exchange contracts (Trade Payables) | EURO | 2,10,000 | 1.78 | - | - |
| Currency options (to hedge the ECB loan) | US$ | 64,05,060 | 48.55 | 1,06,75,100 | 78.43 |

* Foreign currency figures in absolute

Fair value gain on financial instruments measured at fair value amounting to ₹ 2.52 Crores {31 March 2021: ₹ 0.56 Crores) has been recognised as income in statement of profit and loss account.

## 37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company being the active supplier for the automobile industry is exposed to various market risk, credit risk and liquidity risk. The Company has global presence and has decentralised management structure. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks.

The Company has set up a risk management committee (RMC) which comprise of group chief finance officer and three directors of which two are independent directors. RMC periodically reviews operating, financial and strategic risk in the business and their mitigating factors. RMC has formulated a risk management policy for the company which outlines the risk management framework to help minimise the impact of uncertainty. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risk associated with the business. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective. The Company's financial risk management is an integral part of how to plan and execute its business strategies. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(a) 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2022 and 31 March 2021

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company also have operations in international market due to which the Company is also exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to the movement in foreign currency 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 foreign currency). The Company manages its foreign currency risk partly by taking forward exchange contract for transactions of sales and purchases and partly balanced by purchasing of goods/services from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's exposure to foreign currency risk at the end of the reporting periods are as follows

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

| Currency | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Foreign currency in Crores | Exchange rate (in ₹) | Amount | Foreign currency Amount in Crores | Exchange rate (in ₹) | Amount |
| **Trade receivables** | | | | | | |
| US$ | 0.66 | 75.81 | 50.32 | 0.74 | 73.50 | 54.09 |
| EUR | 0.26 | 84.66 | 21.74 | 0.23 | 86.10 | 19.96 |
| JPY | 0.02 | 0.62 | 0.02 | 4.51 | 0.66 | 2.99 |
| GBP | 0.00 | 99.55 | 0.07 | 0.00 | 100.95 | 0.02 |
| **Trade payable, Capital creditors and other financial liabilities** | | | | | | |
| US$ | 0.75 | 75.81 | 56.62 | 0.82 | 73.50 | 60.28 |
| JPY | 2.34 | 0.62 | 1.46 | 0.28 | 0.66 | 0.19 |
| EUR | 0.06 | 84.66 | 5.33 | 0.11 | 86.10 | 9.25 |
| TWD | 0.01 | 2.65 | 0.01 | 0.04 | 2.57 | 0.10 |
| **Bank balances** | | | | | | |
| TWD | 0.04 | 2.65 | 0.10 | 0.03 | 2.57 | 0.09 |
| US$ | 0.01 | 75.81 | 0.45 | 0.01 | 73.50 | 1.08 |
| JPY | 0.77 | 0.62 | 0.48 | 0.06 | 0.66 | 0.04 |
| EUR | 0.04 | 84.66 | 3.45 | - | 86.10 | - |
| **Borrowings** | | | | | | |
| US$ | 0.90 | 75.81 | 68.23 | 2.80 | 73.50 | 205.81 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**Foreign currency risk sensitivity**

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

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Gain/ (loss) Impact on profit before tax and equity | | Gain/ (loss) Impact on profit before tax and equity | |
| | Change +1% | Change -1% | Change +1% | Change -1% |
| **Trade receivables** | | | | |
| US$ | 0.50 | (0.50) | 0.54 | (0.54) |
| EUR | 0.22 | (0.22) | 0.20 | (0.20) |
| JPY | 0.00 | (0.00) | 0.03 | (0.03) |
| GBP | 0.00 | (0.00) | 0.00 | (0.00) |
| **Trade payable & Capital creditors** | | | | |
| US$ | (0.57) | 0.57 | (0.60) | 0.60 |
| JPY | (0.01) | 0.01 | (0.00) | 0.00 |
| EUR | (0.05) | 0.05 | (0.09) | 0.09 |
| GBP | (0.00) | 0.00 | (0.00) | 0.00 |
| **Bank balances** | | | | |
| TWD | 0.00 | (0.00) | 0.00 | (0.00) |
| US$ | 0.00 | (0.00) | 0.01 | (0.01) |
| JPY | 0.00 | (0.00) | 0.00 | (0.00) |
| EUR | 0.03 | (0.03) | - | - |
| **Borrowings** | | | | |
| US$ | (0.68) | 0.68 | (2.06) | 2.06 |

**(ii) 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 main interest rate risk arises from long-term borrowings with variable rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2022, after taking into account the effect of interest rate swaps, the Company has following fixed rate and variable rate borrowing:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Variable rate borrowings | 69.14 | 420.19 |
| Fixed rate borrowings | 269.52 | 227.63 |
| Total | **338.66** | **647.82** |

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | Impact on profit before tax and equity | |
|---|---|---|
| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| **Increase by 0.5%** | (0.35) | (2.10) |
| **Decrease by 0.5%** | 0.35 | 2.10 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(iii) Commodity price risks**

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

**Maturity profile of financial liabilities**

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

| As at 31 March 2022 | Less than 1 Years | 1-5 Years | More than 5 Years | Total |
|---|---|---|---|---|
| Borrowings | 255.77 | 82.89 | - | 338.66 |
| Lease liabilities (undiscounted) | 8.67 | 16.72 | 47.73 | 73.12 |
| Trade payable | 868.33 | - | - | 868.33 |
| Other financial liabilities | 62.45 | - | - | 62.45 |
| | | | | |
| **As at 31 March 2021** | | | | |
| Borrowings | 355.36 | 292.46 | - | 647.82 |
| Lease liabilities (undiscounted) | 6.49 | 8.24 | 47.26 | 61.99 |
| Trade payable | 780.29 | - | - | 780.29 |
| Other financial liabilities | 504.94 | 8.04 | - | 512.98 |

**(c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions and funds with mutual fund asset management companies (AMC). The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

**(i) Trade Receivables**

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major automobile manufacturers with good credit ratings. All customer are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions and mutual funds with AMC. No impairment loss is considered necessary in respect of these fixed deposits and mutual funds that are with recognised commercial banks and AMC and are not past due over past years.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

**(ii) Financial instruments and deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)** | | |
| Other financial assets (current and non-current) | 41.52 | 29.02 |
| Cash and cash equivalents | 56.42 | 74.31 |
| Other bank balances (current and non current) | 7.02 | 5.16 |
| Investments measured at fair value through profit and loss: | 10.00 | - |
| Unquoted equity investments measured at fair value through profit and loss: | 0.01 | 0.80 |
| | **114.97** | **109.29** |
| **Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)** | | |
| Trade Receivables | 877.98 | 685.32 |
| | **877.98** | **685.32** |
| Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks | | |
| | | |
| **The ageing analysis of trade receivables has been considered from the date the invoice falls due** | | |
| **Particulars** | | |
| **Trade Receivables** | | |
| Neither past due nor impaired | 715.19 | 550.91 |
| 0 to 180 days due past due date | 153.57 | 131.21 |
| More than 180 days past due date | 9.22 | 3.20 |
| **Total Trade Receivables** | **877.98** | **685.32** |
| | | |
| **The following table summarises the change in loss allowance measured using the life time expected credit loss model:-** | | |
| As at the beginning of year | 7.83 | 5.63 |
| Provision during the year | 2.64 | 2.20 |
| Reversal of provision during the year | (4.96) | - |
| **As at the end of year** | **5.51** | **7.83** |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 38 CAPITAL MANAGEMENT

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximise 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 or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021. The Company monitors capital using gearing ratio and net debt to EBITDA ratio which is net debt divided by total capital plus net debt and net debt divided by EBITDA respectively. Net debt is calculated as loans and borrowings less cash and cash equivalent.

**Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

| Particulars | 31 March 2022 | 31 March 2021 |
|---|---|---|
| Loan and borrowing * | 338.66 | 647.82 |
| Less : Cash and cash equivalent | (56.42) | (74.31) |
| **Net debts** | **282.24** | **573.51** |
| **Equity / Net Worth** | 2,656.10 | 1,647.85 |
| **Total Capital** | **2,656.10** | **1,647.85** |
| **Capital and Net debts** | **2,938.34** | **2,221.36** |
| **Gearing Ratio (Net Debt/Capital and Net Debt)** | **9.61%** | **25.82%** |
| **EBITDA** | **431.80** | **339.28** |
| **Net debt to EBITDA** | **0.65** | **1.69** |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

* Borrowings does not includes Lease liabilities

### 39 BUSINESS COMBINATION

(i) The Board of directors of the Company in its meeting held on 6 February 2020, accorded its consent for the scheme of amalgamation of Minda I Connect Private Limited (Transferor Company) with Minda Industries Limited (Transferee Company) subject to necessary approvals of shareholders, Creditors and other approvals and sanctions by the National Company Law Tribunal (NCLT), New Delhi. The Company is yet to receive the approval of NCLT on the scheme, accordingly appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval.

(ii) During the previous year, one of the group entity namely" Minda TG Rubber India Private Limited ("MTG") has issued fresh equity shares to Toyoda Gosei Co. Limited (other Joint venture partner) resulting in increase of their shareholding from 49.90% to 51.00% and reduction of shareholding and control of the Company from 51.00% to 49.90% resulting into loss of control. Accordingly, the resultant accounting treatment and classification of loss of control of the Company in MTG (from subsidiary to joint venture) has been carried out in the previous year.

(iii) During the previous year the Company had acquired 30% stake in the namely "Tokai Rika Minda India Private Limited" for a cash consideration of ₹ 65.48 Crores. Consequently, "Tokai Rika Minda Private Limited" was considered as an Joint Venture and was accounted for appropriately in the previous year financial statement.

(iv) During the previous year, the Scheme of Amalgamation ('Scheme'), for merger of Harita Limited ("Transferor Company 1") and Harita Venu Private Limited ("Transferor Company 2") and Harita Cheema Private Limited ("Transferor Company 3") and Harita Financial Services Limited ("Transferor Company 4") and Harita Seating Systems Limited ("Transferor Company 5") and Minda Industries Limited ("Transferee Company") was approved by the Hon'ble National Company Law Tribunal vide its orders dated 1 February 2021 and 23 February 2021 with appointed date of 1 April 2019. Consequently in the previous year, the Company had given effect to the scheme as per Ind AS 103- Business Combinations (Acquisition method) in financial statements w.e.f. appointed date i.e. 1 April 2019 in accordance with General Circular No. 09/2019 issued by Ministry of Corporate Affairs dated 21 August 2019 along with reinstatement of financial statement of financial year 2019-20.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Moreover the Minority shareholder in Harita Fehrer Limited (subsidiary of Transferor Company 5) had exercised its right to sell its stake at an agreed valuation of ₹ 115 crores as per the agreement. Accordingly an amount of ₹ 115 crores was shown in other current financial liability in the previous year with a corresponding debit to Investment thereby making it as 100% subsidiary of the Company. This consideration has been paid fully in the current year.

In the current year, the Company has discharged the consideration payable by way of allotment of 3,969,737 equity shares having a face value of ₹ 2 each at the price of ₹ 320 per equity share (including security premium of ₹ 318 per equity share) and 18,884,662 fully paid up 0.01% non-convertible redeemable preference shares having a face value of ₹ 100 each at the price of ₹ 121.25 per non-convertible redeemable preference shares (including security premium of ₹ 21.25 per non-convertible redeemable preference shares) in accordance with the scheme. Subsequently the preference shareholders of 18,875,002 non-convertible redeemable preference shares have exercised the option to redeem their shares in the current year, accordingly these shares were redeemed at a redemption price of ₹ 112.50 per non-convertible redeemable preference shares in accordance with the scheme and accounted the resultant gain on settlement of purchase consideration payable in other income (refer note 19). Remaining 9660 0.01% non-convertible redeemable preference are compulsorily redeemable on the expiry of 36 months.

## 40 RATIO ANALYSIS AND ITS ELEMENTS

| Ratios | Numerator | Denominator | As at 31 March 2022 | As at 31 March 2021 | Change | Explanation for the change in the ratio by more than 25% as compared to previous year. |
|---|---|---|---|---|---|---|
| (a) Current Ratio (times) | Current assets | Current liabilities | 1.14 | 0.72 | 57.47% | Increase in current ratio is due to<br>(i) increase in trade receivable on account of increase in business<br>(ii) decrease in current financial liability pursuant to settlement of consideration payable of ₹ 463.88 Crores in the current year<br>(iii) decrease in short term borrowing in current year |
| (b) Debt-Equity Ratio (times) | Total Borrowings {refer note (i)} | Total equity | 0.13 | 0.39 | -67.57% | The decrease is on repayment of borrowing during current year |
| (c) Debt Service Coverage Ratio (times) | Earnings available for debt service {refer note (ii)} | Debt service {refer note (iii)} | 1.11 | 2.70 | -58.82% | The decrease is due to increase in earning and significant repayment of borrowing in the current year. |
| (d) Return on Equity Ratio % | Net Profits after taxes | Average shareholder's equity {refer note (iv)} | 9.11% | 7.94% | 14.74% | Not applicable |
| (e) Inventory turnover ratio (times) | Revenue from operations | Average inventory {refer note (v)} | 11.78 | 11.31 | 4.22% | Not applicable |
| (f) Trade receivables turnover ratio (times) | Net credit revenue from operations | Average trade receivables {refer note (vi)} | 6.35 | 6.04 | 5.00% | Not applicable |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

| Ratios | Numerator | Denominator | As at 31 March 2022 | As at 31 March 2021 | Change | Explanation for the change in the ratio by more than 25% as compared to previous year. |
|---|---|---|---|---|---|---|
| (g) Trade payables turnover ratio (times) | Net credit purchases | Average trade payables {refer note (vii)} | 4.11 | 3.36 | 22.43% | Not applicable |
| (h) Net capital turnover ratio (times) | Revenue from operations | Working capital | 25.81 | (7.60) | 239.35% | Increase in net capital turnover ratio is due to (i) Increase in revenue from operation (ii) Increase in net working capital in the current year mainly due to: (a) Increase in trade receivable on account of increase in business (b) decrease in current financial liability pursuant to settlement of consideration payable of ₹ 463.88 Crores in the current year (c) decrease in short term borrowing in current year |
| (i) Net profit ratio % | Net profit | Revenue from operations | 3.95% | 3.22% | 22.93% | Not applicable |
| (j) Return on capital employed % | EBIT {refer note (viii)} | Capital employed {refer note (ix)} | 10.62% | 9.34% | 13.77% | Not applicable |
| (k) Return on investment | Income generated from investments in mutual fund | Time weighted average investments | 2.61% | - | 100.00% | There were no investment as at 31 March 2021. The investment in Mutual Fund has been made in the current financial year |

**Notes:**

(i) Borrowings includes long term and long term borrowing but does not include lease liabilities

(ii) Earning for Debt Service = Net Profit after taxes + Depreciation and amortisations + Finance cost + Loss on sale of property, plant and equipment

(iii) Debt service = Interest and Lease Payments + Principal Repayments

(iv) Average shareholder's equity = {(Total opening equity+ Total closing equity)/ 2}

(v) Average inventory = {(Total opening inventory + Total closing inventory)/ 2}

(vi) Average Trade receivable = {(Total opening trade receivables+ Total closing trade receivables)/ 2}

(vii) Average Trade Payable = {(Total opening trade payable + Total closing trade payable)/ 2}

(viii) EBIT = Profit before exceptional item and tax + finance cost

(ix) Capital Employed = Total equity + Total Borrowings + Deferred Tax Liability

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

### 41 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF COMPANIES ACT, 2013

(i) **Details of Benami property:** No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Wilful defaulter:** The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) **Relationship with struck off companies:** The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding as at 31 March 2022 | Balance outstanding as at 31 March 2021 | Relationship with the Struck off company, if any |
|---|---|---|---|---|
| Radhey Trauma Centre Private Limited | Trade Payable | 2,19,184 | - | None |
| Radhey Trauma Centre Private Limited | Advance to supplier | - | 4,426 | None |
| Sew Eurodrive India Private Limited | Trade Payable | - | | None |

(iv) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under the Companies Act, 2013

(v) **Compliance with approved scheme of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year. Refer note 39 for scheme of merger pending court approval

(vi) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person or entity, 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 group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person or entity, 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) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) **Valuation of property, plant and equipment and intangible asset:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) **Registration of charges or satisfaction with Registrar of Companies:** There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xi) **Utilisation of borrowings availed from banks and financial institutions:** The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

**42** In view of the pandemic relating to COVID - 19, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of investments, property plant and equipment, intangible assets, right-of-use assets, trade receivables, other current and financial assets, for any possible impact on the Financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact the financial statements. However, the actual impact of COVID - 19 on the financial statements may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

43 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 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 is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises 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.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Minda Industries Limited**

**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the accompanying consolidated financial statements of Minda Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2022, their consolidated profits including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group, associates, joint ventures 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 consolidated financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| **(a) Revenue recognition for sale of goods** (as described in Note 2.15 and 18 of the consolidated financial statements) | |
| Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Group uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition.<br><br>Revenue is measured by the Group at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Group considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/share of business, rebates etc provided to the customers. | Our audit procedures included the following:<br>• We evaluated the Groups accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers.<br>• We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations. |

## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| The Group's business also requires passing on price variations to the customer for the sales made by the Group. The Group at the year end, has provided for such price variations to be passed on to the customer.<br>There is a risk that revenue could be recognized at incorrect amount on account of the significant judgement and estimate involved in calculation of price variations to be recorded as at the year end and in the incorrect period on account for sales transactions occurring on and around the year end. Therefore, revenue recognition has been identified as a key audit matter. | • We performed audit procedures on a representative sample of the sales transactions to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also, tested, on sample basis, debit/ credit notes in respect of agreed price variations passed on to the customers.<br>• We performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.<br>• We tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts and tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations;<br>• We assessed the adequacy of revenue related disclosures in the consolidated financial statements. |
| **Assessment of impairment of Goodwill and investments in associates and joint ventures** (as described in Note 5 and 6 of the consolidated financial statements) | |
| As at March 31, 2022, the consolidated financial statements includes Goodwill of Rs. 284.03 crores and investments in associates and joint ventures valued at cost less impairment (wherever applicable) having carrying value of Rs 594.62 crores as at March 31, 2022.<br>The Group has identified investments where indicators of impairment exists and performed an impairment assessment on those investments and goodwill as at March 31, 2022.<br>In accordance with Indian Accounting Standards (Ind-AS) – 36 'Impairment of Assets', the management has performed impairment testing of allocated goodwill and investments in joint ventures and associates to the underlying cash generating unit (CGU) and tested these for annual impairment using a discounted cash flow model.<br>The impairment test model used by management factors impact of COVID-19 and also includes sensitivity testing of key assumptions.<br>The impairment test of investments in joint venture and associates and goodwill is considered as significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and materiality of the balances to the consolidated financial statements as a whole. | Our audit procedures, among others included the following:<br>(a) (a) We obtained an understanding of the process and tested the operating effectiveness of internal controls over the impairment assessment process and preparation of the cash flow forecast based on assumptions and inputs to the model used to estimate the future cash flows.<br>(b) We assessed the Group's methodology applied in determining the CGU to which these assets are allocated.<br>(c) We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates.<br>(d) We compared the cash flow forecasts used in impairment testing to approved budget and other relevant market and economic information, as well as testing the underlying calculations.<br>(e) We discussed the potential changes in key assumptions as compared to previous year to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.<br>(f) We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment.<br>(g) We also involved specialist to assess the assumptions and methodology used by the management to determine the recoverable amount and also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. |

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| | (h) We tested the arithmetical accuracy of the models.<br>(i) We evaluated the adequacy of disclosures in the standalone financial statements related to management's assessment on the impairment tests and as required under Indian Accounting Standard (Ind-AS) -36 Impairment of Assets. |
| **Intangibles assets capitalized or under development (as described in Note 5 of the consolidated financial statements)** | |
| The Group has various technical know-how projects capitalized or under development. Initial recognition of the expenditure under these projects are based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization.<br>In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments.<br>Due to the materiality of these intangible assets recognized and the level of management judgement involved, initial recognition and measurement of intangible assets has been considered as a key audit matter. | Our audit procedures included the following<br>a) a) We assessed the Group's research and development expenditure accounting policies in relation to Ind AS 38 "Intangible Assets".<br>b) We performed test of control over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and ability to measure reliably the expenditure attributable to the intangible asset during its development.<br>c) We performed test of details of development expenditure capitalized by evaluating the key assumptions including the authorization of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset and possible effect of Covid-19 impact on such capitalization In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects.<br>d) We assessed the adequacy of disclosure relating to research and development expenditure in the consolidated financial statements |

### Other Information

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

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

### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including

## INDEPENDENT AUDITOR'S REPORT (Contd.)

other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding 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 ability of the Group and its associates and joint ventures 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 consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements

## INDEPENDENT AUDITOR'S REPORT (Contd.)

of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion..

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

(a) We did not audit the financial statements and other financial information, in respect of:

- 25 subsidiaries, whose financial statements include total assets of Rs. 1792.08 crores as at March 31, 2022, total revenues of Rs.2,704.00 crores, total net profit/(loss) after tax of Rs. 72.98 crores, total comprehensive income of Rs. 22.28 crores, for the year ended on that date, and net cash inflows of Rs. 15.60 crores for the year ended March 31, 2022, as considered in the consolidated financial statements which have been audited by their respective independent auditors.
- 5 associates and 6 joint ventures, whose financial statements include Group's share of net profit of Rs. 21.67 crores and Group's share of total comprehensive income of Rs. 22.05 crores for the year ended March 31, 2022, as considered in the consolidated financial statement whose financial statements, other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Certain of these subsidiaries / joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries / joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries / joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 joint venture, whose financial statements includes the Group's share of net profit of Rs 0.24 crores and Group's share of total comprehensive income of Rs. 0.22 crores for the year ended March 31, 2022, as considered in the consolidated financial statements whose financial statements and other financial information have not been audited by their auditor. These unaudited financial statements/ financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

financial statements and other financial information certified by the Management.

(c) The consolidated financial statements of the Group for the year ended March 31, 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statement on June 13, 2021.

### 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

   (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 27 to the consolidated financial statements;

      ii. The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

      iii. iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2022:

| Nature of dues | Amount in Rs. lakhs | Due in financial year | Remarks |
|---|---|---|---|
| Unclaimed dividend to be transferred to Investor Education and Protection Fund | 1.71 | 2020-21 | Paid on May 23, 2022 |

iv. a) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, 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 Holding Company or any of such subsidiaries, associate and joint ventures 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 respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associate and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India and until the date of the respective audit reports of such Holding Company, subsidiaries, associate and joint ventures is in accordance with section 123 of the Act.

As stated in note 11 to the consolidated financial statements, the respective Board of Directors of the Holding Company, its subsidiaries, associate and joint venture companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTXW7064

Place: New Delhi
Date: May 24, 2022

# ANNEXURE '1'

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

**Re: Minda Industries Limited ("the Holding Company")**

In terms of the information and explanations sought by us and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

| S. No | Name | CIN | Holding company/ subsidiary/ associate/ joint venture | Clause number of the CARO report which is qualified or is adverse |
|---|---|---|---|---|
| 1 | Minda Industries Limited | L74899DL1992PLC050333 | Holding Company | Clauses - (i)(c), (ii)(b), vii(a) and vii(b) |
| 2 | Mindarika Private Limited | U74899DL1995PTC073692 | Subsidiary Company | Clause - ii(b) |
| 3 | Minda Storage Batteries Private Limited | U35900DL2011PTC228383 | Subsidiary Company | Clauses - (i)(c), (ii)(b), (iii)(c) and (d) |
| 4 | Harita Fehrer Limited | U25200DL2008PLC398163 | Subsidiary Company | Clause - vii(a), vii(b) |
| 5 | Tokai Rika Minda India Private Limited | U34300KA2008PTC047401 | Joint Venture | Clause - vii(b) |
| 6 | Minda TTE DAPS Private Limited | U35990DL2015PTC279706 | Joint Venture | Clauses - (i)(a)(A), vii(b) and (xix) |
| 7 | ROKI Minda Co. Pvt. Ltd. | U34300DL2010PTC211292 | Joint Venture | Clauses - (i)(a)(B), (i) (c), and vii(a) |
| 8 | Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | U35999DL2010PLC200859 | Joint Venture | Clause - (ii) (b) |

In respect of following joint venture incorporated in India, the statutory auditor has not completed audit and accordingly has not issued statutory audit report till date of the audit of holding company:

| S. No | Name | CIN | Holding company/ subsidiary/ associate/ joint venture |
|---|---|---|---|
| 1. | Minda Onkyo India Private Limited | U35999DL2017PTC313323 | Joint Venture |

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTXW7064

Place: New Delhi
Date: May 24, 2022

# ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MINDA INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Minda Industries Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Minda Industries Limited (hereinafter referred to as the "Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , its associates and joint ventures, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on, "the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective 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 over financial reporting with reference to consolidated 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, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below , is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated 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 control over financial reporting with reference to these consolidated Ind AS 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS 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 Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 10 subsidiaries, 4 associates and 8 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India, where applicable.

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

**per Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 22094421AJMTXW7064

Place: New Delhi
Date: May 24, 2022

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particular | Notes | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **I Non-current assets** | | | |
| Property, plant and equipment | 3 | 2,052.71 | 2,050.65 |
| Right of use assets | 4 | 183.16 | 174.93 |
| Capital work in progress | 3 | 335.26 | 111.94 |
| Goodwill | 5 | 284.03 | 281.72 |
| Other Intangible assets | 5 | 284.78 | 289.47 |
| Intangible assets under development | 5 | 11.26 | 22.36 |
| Investment in associates, joint ventures | 6 | 594.62 | 528.61 |
| Financial assets | | | |
| (i) Other financial assets | 7(E) | 25.96 | 30.96 |
| Deferred tax assets | 15 | 33.82 | 12.47 |
| Other non-current assets | 9 | 38.69 | 39.27 |
| Non-current tax assets | 10 | 31.47 | 26.17 |
| **Total non-current assets** | | **3,875.76** | **3,568.55** |
| **II Current assets** | | | |
| Inventories | 8 | 1,046.43 | 750.56 |
| Financial assets | | | |
| (i) Investments | 7(A) | 12.09 | 1.56 |
| (ii) Trade receivables | 7(B) | 1,376.65 | 1,198.82 |
| (iii) Cash and cash equivalents | 7(C) | 202.27 | 205.61 |
| (iv) Bank balances other than (iii) above | 7(D) | 31.93 | 32.57 |
| (v) Other financial assets | 7(E) | 46.17 | 30.22 |
| Other current assets | 9 | 240.39 | 202.01 |
| **Total current assets** | | **2,955.93** | **2,421.35** |
| **Total assets** | | **6,831.69** | **5,989.90** |
| **EQUITY AND LIABILITIES** | | | |
| **I Equity** | | | |
| Equity share capital | 11 | 57.12 | 54.39 |
| Other equity | 12 | 3,381.33 | 2,202.18 |
| **Total equity attributable to owners of the Company** | | **3,438.45** | **2,256.57** |
| **Non-controlling Interest** | 12 | 326.30 | 306.45 |
| **Total equity** | | **3,764.75** | **2,563.02** |
| **Liabilities** | | | |
| **II Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 13(A) | 374.70 | 539.12 |
| (ii) Lease liabilities | 13(B) | 111.01 | 90.55 |
| (iii) Other financial liabilities | 13(D) | 33.35 | 16.24 |
| Provisions | 14 | 85.10 | 135.07 |
| Deferred tax liabilities (net) | 15 | 62.44 | 42.40 |
| Other non current liabilities | 17 | 58.11 | 73.33 |
| **Total non-current liabilities** | | **724.71** | **896.71** |
| **III Current liabilities** | | | |
| Contract liabilities | 16 | 116.29 | 48.01 |
| Financial liabilities | | | |
| (i) Borrowings | 13(A) | 441.18 | 509.40 |
| (ii) Lease liabilities | 13(B) | 16.90 | 20.16 |
| (iii) Trade payables | | | |
| (a) total outstanding dues of micro enterprises and small enterprises | 13(C) | 179.10 | 181.68 |
| (b) total outstanding dues of creditors other than micro and small enterprises | 13(C) | 1,232.58 | 1,108.11 |
| (iv) Other financial liabilities | 13(D) | 177.29 | 560.89 |
| Current tax liabilities | 18 | 27.57 | - |
| Other current liabilities | 17 | 86.83 | 62.88 |
| Provisions | 14 | 64.49 | 39.04 |
| **Total current liabilities** | | **2,342.23** | **2,530.17** |
| **Total Liabilities** | | **3,066.94** | **3,426.88** |
| **Total Equity and Liabilities** | | **6,831.69** | **5,989.90** |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | Notes | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|---|
| I | **Income** | | | |
| | Revenue from operations | 18 | 8,313.00 | 6,373.74 |
| | Other income | 19 | 62.94 | 47.03 |
| | **Total income** | | **8,375.94** | **6,420.77** |
| II | **Expenses** | | | |
| | Cost of raw materials and components consumed | 20 | 4,347.89 | 3,456.43 |
| | Purchases of stock in trade | 21 | 1,005.31 | 528.76 |
| | Change in inventories of finished goods, stock in trade and work-in-progress | 22 | (81.20) | (65.90) |
| | Employee benefits expense | 23 | 1,206.51 | 981.69 |
| | Finance costs | 24 | 62.32 | 73.65 |
| | Depreciation and amortisation expense | 25 | 391.75 | 375.30 |
| | Other expenses | 26 | 949.10 | 747.77 |
| | **Total expenses** | | **7,881.68** | **6,097.70** |
| III | **Profit before share of profit/(loss) of associate and joint venture, exceptional items and tax** | | **494.26** | **323.07** |
| | Exceptional items | 6 | - | 1.73 |
| IV | **Profit before share of profit/(loss) of associate and joint venture and tax** | | **494.26** | **324.80** |
| V | **Income tax expense** | 15 | | |
| | Current tax | | 159.25 | 98.29 |
| | Deferred tax charge/(credit) | | (12.47) | 2.24 |
| | **Total tax expense** | | **146.78** | **100.53** |
| VI | **Net profit for the year after taxes but before share of profit of associate and joint venture** | | **347.48** | **224.27** |
| | Share of profit of associates and joint ventures (net) | | 65.16 | 24.17 |
| VII | **Profit for the year** | | **412.64** | **248.44** |
| VIII | **Other comprehensive income** | | | |
| | (a) **Items that will not be reclassified to profit or loss in subsequent periods** | | | |
| | (i) Remeasurements gains/(losses) on defined benefit plans | | (0.11) | 3.77 |
| | (ii) Income tax effect on above | | 0.19 | (1.26) |
| | (b) **Items that will be reclassified to profit or loss in subsequent periods** | | | |
| | (i) Foreign currency translation reserve | | 23.95 | 8.26 |
| | (ii) others | | (1.70) | 3.98 |
| | (iii) Income tax effect on above | | 0.09 | - |
| | **Other comprehensive income for the year, net of tax** | | **22.42** | **14.75** |
| IX | **Total comprehensive income for the year, net of tax** | | **435.06** | **263.19** |
| X | **Profit attributable to:** | | | |
| | Owners of Minda Industries Limited | | 355.80 | 206.63 |
| | Non-controlling interest | | 56.84 | 41.81 |
| XI | **Other comprehensive income attributable to:** | | | |
| | Owners of Minda Industries Limited | | 22.19 | 14.31 |
| | Non-controlling interest | | 0.23 | 0.44 |
| | | | **22.42** | **14.75** |
| XII | **Total comprehensive income attributable to:** | | | |
| | Owners of Minda Industries Limited | | 377.99 | 220.94 |
| | Non-controlling interest | | 57.07 | 42.25 |
| | | | **435.06** | **263.19** |
| XIII | **Earnings per equity share [nominal value of share ₹ 2 (Previous year ₹ 2)]** | 29 | | |
| | Basic earning per share(₹) | | 12.64 | 7.73 |
| | Diluted earning per share(₹) | | 12.59 | 7.41 |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| A | Cash flows from operating activities : | | |
| | Profit before tax | 494.26 | 324.80 |
| | **Adjustments to reconcile profit before tax to net cash flows** | | |
| | Depreciation and amortisation expense | 391.75 | 375.30 |
| | Interest income on bank deposits and others | (17.55) | (5.85) |
| | Liabilities / provisions no longer required written back | (2.17) | (3.21) |
| | Employee stock option expense | 25.36 | 1.05 |
| | Amortisation of government grants | (18.62) | - |
| | Finance costs | 62.32 | 73.65 |
| | Unrealised foreign exchange loss /(gain) (net) | 4.05 | (2.73) |
| | Provision for impairment of trade receivable and other assets provided for / (written back) | (3.02) | 4.73 |
| | Change in financial assets measured at fair value through profit and loss | (2.52) | (0.56) |
| | Gain on deemed disposal of interest in associate company | (9.83) | - |
| | Profit on sale of current investment | (2.95) | (4.30) |
| | Net loss / (profit) on sale of property, plant and equipment | (8.26) | (2.50) |
| | **Operating Profit before working capital changes** | **912.82** | **765.38** |
| | **Movement in working capital** | | |
| | (Increase)/ Decrease in inventories | (295.87) | (141.04) |
| | (Increase)/ Decrease in trade receivables | (177.29) | (340.37) |
| | (Increase)/ Decrease in financial assets | (9.17) | 5.90 |
| | (Increase)/ Decrease in other non-financial assets | (32.69) | (41.12) |
| | Increase/ (Decrease) in trade payables | 121.89 | 174.02 |
| | Increase/ (Decrease) in other financial liabilities | (75.91) | (10.12) |
| | Increase/ (Decrease) in other liabilities | 84.71 | (11.13) |
| | Increase/ (Decrease) in provisions | (8.63) | 28.19 |
| | **Cash generated from operations** | **519.86** | **429.71** |
| | Income tax paid (net of refund) | (136.98) | (87.00) |
| | **Net Cash flows from operating activities (A)** | **382.88** | **342.71** |
| B | Cash flows from investing activities | | |
| | Payment for purchase of interest in associates and joint venture | (11.38) | (155.60) |
| | Proceed /(payment) on change in other investment | (10.00) | 27.68 |
| | Purchase of property, plant and equipment and intangible assets | (577.67) | (299.05) |
| | Proceeds from sale of property, plant and equipment and intangible assets | 12.67 | 10.97 |
| | Acquisition of subsidiaries from outside the group | (15.71) | - |
| | Settlement of purchase consideration | (115.00) | - |
| | Dividend from joint venture and associates | 13.18 | - |
| | Interest received on bank deposits | 5.90 | 5.93 |
| | Investment in fixed deposit matured /(made) | (0.64) | 49.10 |
| | **Net cash used in investing activities (B)** | **(698.65)** | **(360.97)** |

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| C | **Cash flows from financing activities** | | |
| | Proceeds from issue of equity share capital | 1.94 | 12.29 |
| | Proceed from securities premium on issue of shares under Rights Issue | - | 238.40 |
| | Securities premium on issue of equity shares under qualified institutional placement of share issue expenses | 688.06 | - |
| | Payment on redemption of 0.01% Non-convertible redeemable Preference Shares | (212.34) | - |
| | Payment on acquisition of non-controlling interest | - | (52.00) |
| | Proceeds from/ (repayment of) short term borrowings (net) | 127.40 | 75.83 |
| | Repayment of long term borrowings | (297.91) | (200.92) |
| | Proceeds from long term borrowings | 133.49 | - |
| | Interest paid on borrowings | (54.11) | (67.78) |
| | Payment of interest portion of lease liabilities | (7.42) | (6.53) |
| | Payment of principal portion of lease liabilities | (30.72) | (20.92) |
| | Payment of dividend | (37.39) | (18.61) |
| | **Net cash used in financing activities (C)** | **311.00** | **(40.24)** |
| | **Net Increase/ (decrease) in cash and cash equivalents(A+B+C)** | **(4.77)** | **(58.50)** |
| | **Cash and cash equivalents as at beginning** | 205.61 | 263.67 |
| | Effects of exchange rate changes on cash and cash equivalents | 1.43 | 0.44 |
| | **Cash and cash equivalents as at closing** | **202.27** | **205.61** |

**Notes**

1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

| | | | |
|---|---|---|---|
| 2 | **Components of cash and cash equivalents** | | |
| | **Cash and cash equivalents** | | |
| | Balances with banks | | |
| | In current / cash credit accounts | 166.46 | 159.47 |
| | Deposits with a original maturity of less than three months | 34.34 | 45.40 |
| | Cash on hand | 1.47 | 0.74 |
| | **Cash and cash equivalents at the end of the year** | **202.27** | **205.61** |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 MARCH 2022**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(a) Equity share capital**

| Particulars | Nos. | Amount |
|---|---|---|
| **Balance as at 1 April 2020** | 26,22,16,965 | **52.44** |
| Issue of equity shares under right issue | 97,11,739 | 1.95 |
| **Balance as at 31 March 2021** | **27,19,28,704** | **54.39** |
| Issue of equity shares on settlement of consideration payable | 39,69,737 | 0.79 |
| Issue of equity shares under preferential allotment | 97,22,000 | 1.94 |
| **Balance as at 31 March 2022** | **27,58,98,441** | **57.12** |

**(b) Other equity**

| Particulars | Equity component of other financial instruments | Securities premium | Capital redemption reserve | Capital reserves | Capital reserves arising on amalgamation | General reserves | Employee stock options reserve | Shares pending Issuance | Foreign currency translation reserve | Effective portion of Cash Flow Hedges | Retained earnings | Total other equity | Non-controlling interest |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **As at 1 April 2020** | **6.55** | **390.33** | **18.39** | **3.28** | **177.01** | **71.06** | **1.20** | **52.00** | **5.38** | - | **1,083.44** | **1,808.64** | **282.84** |
| **Profit for the year** | - | - | - | - | - | - | - | - | - | - | 206.63 | 206.63 | 41.81 |
| **Other comprehensive income for the year** | | - | - | - | - | - | - | - | 8.14 | 3.98 | 2.19 | 14.31 | 0.44 |
| **Total Comprehensive income for the year** | - | - | - | - | - | - | - | - | **8.14** | **3.98** | **208.82** | **220.94** | **42.25** |
| **Transactions with owners in their capacity as owners:** | | | | | | | | | | | | | |
| Security premium on issue of shares under right issue | - | 240.85 | - | - | - | - | - | - | - | - | - | 240.85 | - |
| Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | - | (2.41) | - | - | - | - | - | - | - | - | - | (2.41) | - |
| Purchase of non controlling interest | - | (3.13) | - | - | - | - | - | (52.00) | - | - | - | (55.13) | - |
| Employee stock compensation expense | - | - | - | - | - | - | 1.05 | - | - | - | - | 1.05 | - |
| Pursuant to loss of control in a subsidiary | - | - | - | - | - | - | - | - | - | - | 1.48 | 1.48 | - |
| Dividend paid during the year | - | - | - | - | - | - | - | - | - | - | (9.52) | (9.52) | (9.09) |
| Addition in non-controlling interest pursuant to issue of equity shares to non-controlling shareholder | - | - | - | - | - | - | - | - | - | - | - | - | 9.80 |
| Decrease pursuant to loss of control in a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | (19.29) |
| Others | - | - | - | - | - | - | - | - | - | - | (3.72) | (3.72) | (0.06) |
| **As at 31 March 2021** | **6.55** | **625.64** | **18.39** | **3.28** | **177.01** | **71.06** | **2.25** | - | **13.52** | **3.98** | **1,280.50** | **2,202.18** | **306.45** |
| **Profit for the year** | - | - | - | - | - | - | - | - | - | - | 355.80 | 355.80 | 56.84 |
| **Other comprehensive income for the year** | - | - | - | - | - | - | - | - | 23.95 | (1.70) | (0.06) | 22.19 | 0.23 |
| **Total Comprehensive income for the year** | - | - | - | - | - | - | - | - | **23.95** | **(1.70)** | **355.74** | **377.99** | **57.07** |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Equity component of other financial instruments | Securities premium | Capital redemption reserve | Capital reserves | Capital reserves arising on amalgamation | General reserves | Employee stock options reserve | Shares pending Issuance | Foreign currency translation reserve | Effective portion of Cash Flow Hedges | Retained earnings | Total other equity | Non-controlling interest |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Transactions with owners in their capacity as owners:** | | | | | | | | | | | | | |
| Security premium on issue of shares under preferential allotment to qualified institutional buyers | - | 698.04 | - | - | - | - | - | - | - | - | - | 698.04 | - |
| Security premium on issue of equity shares on settlement of consideration payable | - | 125.43 | - | - | - | - | - | - | - | - | - | 125.43 | - |
| Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | - | (9.98) | - | - | - | - | - | - | - | - | - | (9.98) | - |
| Employee stock compensation expense | - | - | - | - | - | - | 25.36 | - | - | - | - | 25.36 | - |
| Addition pursuant to business combination {refer note (37)} | - | - | - | - | - | - | - | - | - | - | - | - | 2.05 |
| Dilution of non-controlling interest {refer note (37)} | - | - | - | - | - | - | - | - | - | - | (5.15) | (5.15) | (28.97) |
| Cash flow hedge reserve transferred during the year | - | - | - | - | - | - | - | - | - | (3.98) | - | (3.98) | - |
| Dividend / drawing made by non-controlling interest | - | - | - | - | - | - | - | - | - | | - | - | (10.30) |
| Dividend paid during the year | - | - | - | - | - | - | - | - | - | - | (28.56) | (28.56) | - |
| **As at 31 March 2022** | **6.55** | **1,439.13** | **18.39** | **3.28** | **177.01** | **71.06** | **27.61** | **-** | **37.47** | **(1.70)** | **1,602.53** | **3,381.33** | **326.30** |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

## 1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Minda Industries Limited (the parent company) and its subsidiaries, associates and joint venture (collectively referred as "the Group") for the year ended 31 March 2022. Minda Industries Limited (the parent company) is a public company limited by shares, incorporated and domiciled and headquartered in India. It was incorporated on 16 September 1992 under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited and BSE Limited having its registered office at B64/1 Wazirpur, Industrial Area, Delhi-110052, India.

The Group is engaged in the business of manufacturing of auto components including lighting, alloy wheels, horns, seating systems, seatbelts, switches, sensors, controllers, handle bar assemblies, wheel covers etc. The Group caters to both 2 wheelers and 4 wheelers markets and domestic & international markets.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 24 May 2022.

## 2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) consolidated financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

**New and amended standards adopted by the Group** The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, and Ind AS 116, Leases.
- Amendment to Ind AS 105, Ind AS 16 and Ind AS 28
- Conceptual framework for financial reporting under Ind AS issued by ICAI

The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### 2.01 Basis of preparation of consolidated Financial Statements

The consolidated financial statements of the Group 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 these consolidated financial statements.

These consolidated financial statements are presented in INR and all values are rounded to the nearest Crores (INR 0,000,000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as going concern. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities

(i) Certain financial assets and liabilities that is measured at fair value

(ii) Assets held for sale-measured at fair value less cost to sell

(iii) Defined benefit plans-plan assets measured at fair value

(iv) Share based payments

### 2.02 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non current.

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.03 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company along with its subsidiaries, associates and joint venture as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

(iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a other group companies, the other group companies prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent company to enable the parent to consolidate the financial information of the group companies, unless it is impracticable to do so.

### 2.04 Consolidation procedure:

**(A) Subsidiaries**

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss

(vii) Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners

(viii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity

**(B) Investment in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

The Group discontinue the use of equity method from the date the investment is classified as held for sale in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations and measures the interest in associate and joint venture held for sale at the lower of its carrying amount and fair value less cost to sell.

**(C) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Standalone Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

(i) Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

(ii) Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

(iii) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

(iv) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

(v) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

(a) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against revenue reserve.

(e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

(f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to revenue reserves/ capital reserves.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.05 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

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 Group 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 profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Group and the cost of item can be measured reliably.

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 income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method/ written down method as applicable, using the useful lives as technically assessed by the management of the respective group companies which is as below with respect to significant class of property, plant and equipments. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

| Name of assets | Useful life as assessed by the management | Life in years as per schedule II of Companies Act, 2013 |
|---|---|---|
| Building | | |
| Factory building | 15-30 | 30 |
| Non-factory building | 60 | 60 |
| Computers including networking equipments | 3-6 | 3-6 |
| Plant and machinery | | |
| Plant and machinery | 8-15 | 15 |
| Dies and tools | 3-6 | 15 |
| Furniture and fittings | 5-10 | 10 |
| Office equipment | 5 | 5 |
| Vehicles | 8 | 8 |

The useful lives have been determined based on technical evaluation done by the management in order to reflect the actual usage of assets.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their lease term. Leasehold land is amortised on a straight line basis over the unexpired period of their respective lease period.

### 2.06 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

## 2.07 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalised and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives 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 is 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 is accounted for by changing 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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortised on a straight line basis over their estimated useful life as under:

| Assets | Useful life |
|---|---|
| Trademark | 10 years |
| Technical know how | 6 years |
| Computer software | 3-6 years |
| Customer relationship | 10 years |

### Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Group can demonstrate all the following:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

### Trademarks

Brand and Trademarks acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, brand and trademark are carried at the above recognised value less accumulated amortisation and accumulated impairment losses, if any.

### Customer relationship

Customer relationship acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, customer relationship is carried at the above recognised value less accumulated amortisation and accumulated impairment losses, if any. They are amortised on a straight line basis

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

over their estimated useful life of 10 years assessed by the management.

**Goodwill**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained

### 2.08 Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the forecast period. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March or when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

## 2.09 Financial instruments

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

### (i) Financial Assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

**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 Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group 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 are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "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 Group'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.

**Subsequent measurement**

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

**Financial assets at amortised cost (debt instruments)**

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

**a)** Business Model Test : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

contractual maturity to realise its fair value changes) and;

b) **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Group. 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 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 effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortisation is included in other income in profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Financial assets at fair value through OCI (FVTOCI) (debt instruments)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and

b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

**Embedded Derivatives**

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- the Group has transferred its rights to receive cash flows from the 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 Group has transferred substantially all the risks and rewards of the asset, or
  - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

**Impairment of financial assets**

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For recognition of impairment loss on financial assets other than mentioned below and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL

The Group follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

**(a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

**(b) Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(c) **Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

**(ii) 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, and payables, net of directly attributable transaction costs. 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 Group financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

**Subsequent measurement**

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

(i) Financial liabilities at fair value through profit or loss

(ii) Financial liabilities at amortised cost (loans and borrowings)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivate are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and 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 recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. the Group has not designated any financial liability as at fair value through profit and loss.

**Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective interest rate 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 Effective interest rate. The Effective interest rate amortisation is included as finance costs in the statement of profit and loss.

**Trade Payables**

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using Effective interest rate method.

**Derecognition**

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 derecognition 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 of financial instruments**

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Reclassification of financial assets/ financial liabilities**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment |
|---|---|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in profit or loss. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss the reclassification date. |

## 2.10 Derivative financial instruments and hedge accounting

**Initial recognition and subsequent measurement**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**(i) Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

### 2.11 Compound financial instruments

Compound financial instruments issued by the Group comprise cumulative redeemable preference shares denominated in Rupees that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary. Compound financial instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

### 2.12 Inventories

**a) Basis of valuation:**

i) Inventories other than scrap materials are valued at lower of cost and net realisable value after providing cost of obsolescence, if any. The comparison of cost and net realisable value is made on an item-by-item basis.

**b) Method of Valuation:**

i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis

iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and 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.

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

### 2.13 Non-current assets of disposal group held for sale and discontinued operation

The Group classifies non-current assets and disposal group as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets or disposal group, its sale is highly probable; and it will genuinely be sold. The Group treats sale of the asset or disposal group to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset

ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)

iii) The asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset / disposal group is available for immediate sale in its present condition and the assets / disposal group must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan to sale these assets / disposal group will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (including those that are part of a disposal group) once classified as held for sale are not depreciated or amortised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and assets of disposal group classified as held for sale are presented separately as current items in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view resale. The results of discontinued operations are presented separately in the statement of profit and loss. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

### 2.14 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense for the year comprises of current tax and deferred tax.

**a) Current income tax**

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities of respective jurisdiction of group companies by using applicable tax rates and the tax laws that are enacted at the reporting date.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the parent company and its subsidiaries, associates and joint venture operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

**b) Deferred Tax**

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or 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 ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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:

i) 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.

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

### 2.15 Revenue from contract with customers

The Group manufactures and trades variety of auto components products. 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 Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer. A receivable is recognised when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers. The Group collects GST or other indirect taxes, if any on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

**Revenue from sales of products**

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Group considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

**Variable consideration**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of equipment provide customers with a right of return the goods within a specified period. The Group also provides retrospective volume rebates to certain customers once the quantity of electronic equipment purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

**Warranty obligations**

The Group generally provides for warranties for general repair of defects that existed at the time of sale. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets).

**Significant Financing Components**

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

**Sale of service**

The Group recognises revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from services related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties

**Revenue from assembly of components**

The Group has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Group is acting as an agent in these arrangements. When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

**Contract assets**

Contract assets is right to consideration in exchange for goods or services transferred to the customer and performance obligation satisfied. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the attached condition and acceptance by the customer, the amounts recognised as contract assets is reclassified to trade receivables upon invoicing. A receivables represents the Group's right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Trade receivables**

A trade receivable is recognised if an amount of consideration that 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 (Financial instruments). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.16 Other Operating Revenues

**Export incentives**

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

**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 Group will comply with all attached conditions.

**Royalty income**

Royalty income is recognised in Other operating income on an accrual basis in accordance with the substance of the relevant agreements

### 2.17 Other Income

**Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

**Rental Income**

Rental income is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

**Dividend income**

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

**Share of profit from partnerships**

Share of profit from partnership is recognised on accrual basis.

### 2.18 Retirement and other employee benefits

**Short-term obligations**

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid at undiscounted value when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Defined benefit plan - Gratuity, pension fund and other defined benefit plan**

The Group operates a gratuity and pension fund defined benefit plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment defined benefits plan to employees in other jurisdiction. The liabilities with respect to defined benefit plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Group contributes to the defined benefit scheme. The difference, if any, between the actuarial valuation of the defined benefit scheme of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

b) Net interest expense or income

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 other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Defined contribution plan - Provident fund, employee state insurance and other defined contribution plan**

Retirement benefit in the form of provident fund, employee state insurance and other defined contribution plan is a defined contribution scheme. the Group has no obligation, other than the contribution payable to the these funds. The Group recognises contribution payable through these scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as 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 excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

**Other long term employee benefit - Compensated absence**

Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**Other Long term incentive plan - Employee stock option plan**

The Group provides long term incentive plan to employees via equity settled share based payments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock option reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

### 2.19 Leases

The Group 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.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

i) **Right-of-use assets**

The Group 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 underlying assets.

If ownership of the leased asset transfers to the Group 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. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

ii) **Lease Liabilities**

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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., 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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Companies' lease liabilities are included in other current and non-current financial liabilities. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(iii) **Short-term leases and leases of low-value assets** The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Group as a lessor**

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### 2.21 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

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 respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

### 2.22 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

### 2.23 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 2.24 Foreign currency translation

**(i)** *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group 's financial statements are presented in Indian rupee (₹) which is also the Group's functional and presentation currency.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**(ii)** *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing 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.

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.

**(iii)** *Exchange differences*

Exchange differences arising on settlement of transactions or translation of monetary items are recognised as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which 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). Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

**(iv)** *Group companies*

On consolidation, the results and financial position of foreign operations that have a functional currency different from the presentation currency (₹) are translated to the presentation currency (₹) in the following manner:

a) Assets and liabilities are translated at the rate of exchange prevailing at the reporting date

b) Their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions

c) All resulting exchange differences arising on translation of financial statement of foreign operations for consolidation are recognised in other comprehensive income.

d) On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

e) Any Goodwill arising on the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

f) Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### 2.25 Provisions and Contingent Liabilities

**Provisions**

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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 the passage of time is recognised as a finance cost.

**Warranty Provisions**

Provision for warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Group periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

**Contingent liabilities**

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

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2.26 Dividend Distributions

The Group recognises a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Group. 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.

### 2.27 Fair value measurement

The Group measures financial instruments 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 ordinary 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 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 Group.

The fair value of an asset or 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 Group 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

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

For the purpose of fair value disclosures, the Group 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.

### 2.28 Significant accounting judgments, estimates and assumptions

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

**a) Group as a leases**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**b) Taxes**

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships 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 Group 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.

**c) Defined benefit plans and other long term incentive plan**

The cost of defined benefit plans and leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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 India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 30.

**d) Fair value measurement of financial instrument**

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

**e) Impairment of financial assets**

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

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

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

**g) Provision for warranty**

Provisions for warranties is 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 very unlikely that actual warranty claims will exactly match the historical warrant percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

**h) Provision for expected credit losses (ECL) of trade receivables**

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in notes.

**i) Property, Plant and Equipment and intangible assets**

Property, Plant and Equipment and intangible assets represent significant portion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Group's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

**j) Intangible asset under development**

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The amount of capitalised intangible assets under development includes significant investment in the development of an innovative components.

**k) Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**l) Revenue from contracts with customers**

The Group applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer accounting policy on revenue from contract with customers

## 2.29 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Group has changed the classification/presentation of (i) current maturities of long-term borrowings (ii) security deposits, in the current year as follows:

(i) The current maturities of long-term borrowings has now been included under the "short term borrowing " line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

(ii) Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

(iii) The Group has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

| Balance sheet (extract) | 31 March 2021 (as previously reported) | Increase/ (Decrease) | 31 March 2021 (restated) |
|---|---|---|---|
| Other financial liability (current) | 756.51 | (195.62) | 560.89 |
| Short term borrowing | 313.78 | 195.62 | 509.40 |
| Other financial assets (non-current) | 3.70 | 27.26 | 30.96 |
| Loan (non-current) | 27.26 | (27.26) | - |
| Other financial assets (current) | 27.28 | 2.94 | 30.22 |
| Loan (current) | 2.94 | (2.94) | - |

(iv) Previous year numbers have been regrouped wherever considered necessary to conform to the current year's classification. These did not have any impact on statement of profit and loss and earning per share.

### 2.30 Standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the 757.37 in the current or future reporting periods and on foreseeable future transactions.

(i) **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37:** The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. 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. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Group.

(ii) **Reference to the Conceptual Framework – Amendments to Ind AS 103:** 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. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Group.

(iii) **Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16:** 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. The amendments are not expected to have a material impact on the Group.

(iv) **Ind AS 109 Financial Instruments – Fees in the '10 %' 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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Group.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 3 PROPERTY, PLANT AND EQUIPMENT

| Particulars | Freehold land | Buildings | Plant and Machinery | Furniture and fittings | Vehicles | Office equipment | Computers | Total | Capital work in progress | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | | |
| **As at 01 April 2020** | **254.51** | **488.09** | **1,787.30** | **66.51** | **16.71** | **25.11** | **37.26** | **2,675.49** | **340.04** | **3,015.53** |
| Additions during the year | - | 110.08 | 372.84 | 10.77 | 0.82 | 1.53 | 4.80 | 500.84 | 271.93 | 772.77 |
| Disposals/adjustments | - | (0.75) | (12.14) | 0.23 | (1.92) | (0.69) | (1.35) | (16.62) | (500.03) | (516.65) |
| Deletion pursuant to loss of control in a subsidiary {refer note 37} | (15.27) | (15.79) | (55.58) | (0.38) | (0.28) | (0.84) | (0.45) | (88.59) | - | (88.59) |
| Foreign currency translation impact | 0.31 | 1.58 | 17.34 | 5.11 | 0.16 | 0.28 | 0.62 | 25.40 | - | 25.40 |
| **As at 31 March 2021** | **239.55** | **583.21** | **2,109.76** | **82.24** | **15.49** | **25.39** | **40.88** | **3,096.52** | **111.94** | **3,208.46** |
| Additions during the year | 20.85 | 9.27 | 267.39 | 6.34 | 2.53 | 2.05 | 8.44 | 316.87 | 370.34 | 687.21 |
| Disposals/adjustments | (0.51) | (0.03) | (29.62) | (0.15) | (3.44) | (0.52) | (4.09) | (38.36) | (146.93) | (185.29) |
| Addition pursuant to acquisition of subsidiary companies {refer note 37} | 0.57 | 1.44 | 5.48 | 0.16 | 0.36 | 0.14 | 0.12 | 8.27 | - | 8.27 |
| Foreign currency translation impact | 0.16 | 0.70 | (3.73) | (2.04) | 0.10 | 0.11 | (0.08) | (4.78) | (0.09) | (4.87) |
| **As at 31 March 2022** | **260.62** | **594.59** | **2,349.28** | **86.55** | **15.04** | **27.17** | **45.27** | **3,378.52** | **335.26** | **3,713.78** |
| **Accumulated depreciation** | | | | | | | | | | |
| **As at 1 April 2020** | **0.04** | **52.70** | **641.91** | **47.10** | **8.04** | **9.91** | **20.34** | **780.04** | **-** | **780.04** |
| Depreciation charge for the year | - | 22.77 | 243.97 | 13.78 | 2.20 | 4.37 | 8.23 | 295.32 | - | 295.32 |
| Disposals/adjustments | - | (0.60) | (16.51) | (1.43) | (0.99) | (0.58) | (1.18) | (21.29) | - | (21.29) |
| Deletion pursuant to loss of control in a subsidiary {refer note 37} | - | (3.36) | (23.35) | (0.21) | (0.18) | (0.73) | (0.39) | (28.22) | - | (28.22) |
| Foreign currency translation impact | | 0.74 | 14.04 | 4.48 | 0.07 | 0.16 | 0.53 | 20.02 | - | 20.02 |
| **As at 31 March 2021** | **0.04** | **72.25** | **860.06** | **63.72** | **9.14** | **13.13** | **27.53** | **1,045.87** | **-** | **1,045.87** |
| Depreciation charge for the year | - | 23.03 | 270.74 | 12.83 | 1.70 | 3.44 | 7.74 | 319.48 | - | 319.48 |
| Disposals/adjustments | **(0.04)** | (0.04) | (27.63) | (0.05) | (2.47) | (0.47) | (3.96) | (34.66) | - | (34.66) |
| Foreign currency translation impact | - | 0.21 | (3.02) | (2.16) | 0.08 | 0.06 | (0.05) | (4.88) | - | (4.88) |
| **As at 31 March 2022** | **-** | **95.45** | **1,100.15** | **74.34** | **8.45** | **16.16** | **31.26** | **1,325.81** | **-** | **1,325.81** |
| **Net Carrying amounts** | | | | | | | | | | |
| **As at 31 March 2021** | **239.51** | **510.96** | **1,249.70** | **18.52** | **6.35** | **12.26** | **13.35** | **2,050.65** | **111.94** | **2,162.59** |
| **As at 31 March 2022** | **260.62** | **499.14** | **1,249.13** | **12.21** | **6.59** | **11.01** | **14.01** | **2,052.71** | **335.26** | **2,387.97** |

**Notes:**

**(a)** Refer note 13(A) for property, plant and equipment pledged/hypothecated as security for borrowing by the group.

**(b)** Refer note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**(c)** The amount of borrowing costs capitalised during the year ended 31 March 2022 was ₹ Nil (31 March 2021: ₹4.25 Crores). The rate used to determine the amount of borrowing costs eligible for capitalisation was Nil (31 March 2021: 8.30%) which is the effective interest rate of the specific borrowing. No borrowing costs are capitalised on other items of property, plant and equipment under construction.

**(d)** Capital work in progress as at 31 March 2022 includes assets under construction at various plants including capitalisation of plant for lighting division of the parent company. Adjustment in relation to capital work in progress relates to addition in property, plant and equipment made during the year.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(e) Ageing of capital work-in-progress is as below:**

| As at 31 March 2022 | | | | | |
|---|---|---|---|---|---|
| **Particulars** | **Amounts in capital work in progress for** | | | | |
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 323.02 | 9.36 | 2.27 | 0.61 | **335.26** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **323.02** | **9.36** | **2.27** | **0.61** | **335.26** |

| As at 31 March 2021 | | | | | |
|---|---|---|---|---|---|
| **Particulars** | **Amounts in capital work in progress for** | | | | |
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 88.76 | 18.35 | 1.02 | 3.81 | **111.94** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **88.76** | **18.35** | **1.02** | **3.81** | **111.94** |

**(f)** There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

## 4 RIGHT OF USE ASSETS AND LEASES LIABILITIES

(i) Right of use assets: The Group's lease asset primarily consist of :

(a) Leasehold building representing the properties taken on lease for offices and warehouse having lease terms between 3 to 30 years.

(b) Leasehold plant and equipment representing the leases for various equipment used in its operations having lease terms between 1 to 5 years.

(c) Leasehold land represents land obtained on long term lease from various Government authorities.

(d) Leasehold vehicle representing the vehicles taken on lease having the various lease term

The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases with lease terms of 12 months or less. The Group has applied the 'short-term lease' recognition exemptions for these leases.

(ii) The following is carrying value of right of use assets and movement thereof:

| **Particulars** | **Leasehold Land** | **Leasehold Building** | **Leasehold Vehicles** | **Leasehold Plant and equipments** | **Total** |
|---|---|---|---|---|---|
| **As at 1 April 2020** | **69.40** | **109.88** | **1.29** | **1.65** | **182.22** |
| Additions during the year | 15.75 | 11.09 | 2.95 | 16.69 | 46.48 |
| Disposal during the year | - | (14.50) | - | - | (14.50) |
| Foreign currency translation impact | 0.66 | 0.59 | 0.83 | - | 2.08 |
| **As at 31 March 2021** | **85.81** | **107.06** | **5.07** | **18.34** | **216.28** |
| Additions during the year | - | 56.39 | - | 2.61 | 59.00 |
| Disposal/adjustment during the year | - | (38.25) | (5.07) | (0.16) | (43.48) |
| Foreign currency translation impact | - | (1.40) | - | - | (1.40) |
| **Balance as at 31 March 2022** | **85.81** | **123.80** | **-** | **20.79** | **230.40** |
| **Accumulated depreciation** | | | | | |
| **As at 1 April 2020** | **0.91** | **14.64** | **0.17** | **0.56** | **16.28** |
| Depreciation for the year | 3.85 | 14.38 | 4.85 | 1.74 | 24.82 |
| Deductions/ Adjustments (net) | (0.13) | (0.07) | (0.05) | - | (0.25) |
| **As at 31 March 2021** | **4.89** | **29.09** | **5.07** | **2.30** | **41.35** |
| Depreciation for the year | 3.85 | 14.21 | - | 3.16 | 21.22 |
| Disposal during the year | - | (9.39) | (5.07) | (0.16) | (14.62) |
| Foreign currency translation impact | - | (0.71) | - | - | (0.71) |
| **As at 31 March 2022** | **8.74** | **33.20** | **-** | **5.30** | **47.24** |
| **Carrying amounts (net)** | | | | | |
| **As at 31 March 2021** | **80.92** | **77.97** | **-** | **16.04** | **174.93** |
| **As at 31 March 2022** | **77.07** | **90.60** | **-** | **15.49** | **183.16** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(iii) The movement in lease liabilities is as follows:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Balance at the beginning | 110.71 | 116.82 |
| Addition during the year | 59.00 | 30.73 |
| Deletion during the year | (9.30) | (15.92) |
| Lease modification impact | (1.04) | - |
| Finance cost accrued during the year | 7.43 | 6.53 |
| Payment of lease liabilities | (38.14) | (27.45) |
| Foreign currency translation impact | (0.74) | - |
| **Balance at the end** | **127.92** | **110.71** |
| Current maturities of lease liabilities | 16.90 | 20.16 |
| Non-current lease liabilities | 111.01 | 90.55 |

(iv) **Amount recognised in the statement of Profit and loss during the year:**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Depreciation charge of right of use assets | 21.22 | 24.82 |
| Finance cost incurred during the year | 7.43 | 6.53 |
| Expense related to short term leases (included in other expenses) | 28.52 | 21.14 |
| **Total** | **57.17** | **52.49** |

(v) **Maturity analysis of undiscounted lease liabilities**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Payable within one year | 26.52 | 12.06 |
| Payable between one to five years | 68.32 | 32.76 |
| Payable after five years | 130.97 | 120.94 |
| **Total** | **225.81** | **165.76** |

(vi) The Group does not face significant liquidity risk with regard to its lease liabilities as the current are sufficient to meet the obligation related to lease liabilities as and when they fall due

(vii) Non-cash investing activities during the year

| | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Acquisition of right of use assets | 59.00 | 30.73 |
| Disposal of right of use assets | (28.86) | (14.50) |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

## 5 GOODWILL AND OTHER INTANGIBLE ASSETS

| Particulars | Trade Mark | Design Fees | Technical Knowhow | Computer Software | Customer Relationship | Total other intangible assets | Goodwill | Intangible asset under development | Total intangible assets |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | |
| **As at 1 April 2020** | **3.09** | **2.49** | **189.34** | **53.59** | **132.80** | **381.31** | **285.98** | **20.00** | **687.29** |
| Additions during the year | - | - | 23.16 | 6.65 | - | 29.81 | - | 25.52 | 55.33 |
| Disposals/adjustments | - | - | (1.74) | (0.53) | - | (2.27) | - | (23.16) | (25.43) |
| Deletion pursuant to loss of control in a subsidiary {refer note 37} | - | - | - | (0.76) | - | (0.76) | (4.26) | - | (5.02) |
| Foreign currency translation impact | - | - | 4.15 | 0.13 | 0.56 | 4.84 | - | - | 4.84 |
| **As at 31 March 2021** | **3.09** | **2.49** | **214.91** | **59.08** | **133.36** | **412.93** | **281.72** | **22.36** | **717.01** |
| Additions during the year | 0.20 | - | 40.68 | 8.07 | - | 48.95 | - | 17.17 | 66.12 |
| Disposals/adjustments | - | - | (1.34) | (0.73) | - | (2.07) | - | (28.27) | (30.34) |
| Addition pursuant to acquisition of subsidiary companies {refer note 37} | | - | - | 0.01 | - | 0.01 | - | - | 0.01 |
| Foreign currency translation impact | - | - | (3.05) | (0.25) | (0.41) | (3.71) | 2.31 | - | (1.40) |
| **As at 31 March 2022** | **3.29** | **2.49** | **251.20** | **66.18** | **132.95** | **456.11** | **284.03** | **11.26** | **751.40** |
| **Accumulated amortisation** | | | | | | | | | |
| **As at 1 April 2020** | **2.08** | **2.49** | **29.88** | **22.44** | **12.98** | **69.87** | **-** | **-** | **69.87** |
| Amortisation for the year | 0.26 | - | 25.50 | 10.19 | 19.21 | 55.16 | - | - | 55.16 |
| Disposals/adjustments | - | - | (0.98) | (0.56) | - | (1.54) | - | - | (1.54) |
| Deletion pursuant to loss of control in a subsidiary {refer note 37} | - | - | - | (0.74) | - | (0.74) | - | - | (0.74) |
| Foreign currency translation impact | - | - | 0.06 | 0.64 | 0.01 | 0.71 | - | - | 0.71 |
| **As at 31 March 2021** | **2.34** | **2.49** | **54.46** | **31.97** | **32.20** | **123.46** | **-** | **-** | **123.46** |
| Amortisation for the year | 0.13 | - | 26.13 | 9.66 | 15.13 | 51.05 | - | - | 51.05 |
| Disposals/adjustments | - | - | (1.30) | (0.70) | - | (2.00) | - | - | (2.00) |
| Foreign currency translation impact | - | - | (0.89) | (0.23) | (0.06) | (1.18) | - | - | (1.18) |
| **As at 31 March 2022** | **2.47** | **2.49** | **78.40** | **40.80** | **47.27** | **171.43** | **-** | **-** | **171.43** |
| **Net Carrying amount** | | | | | | | | | |
| **As at 31 March 2021** | **0.75** | **-** | **160.45** | **27.11** | **101.16** | **289.47** | **281.72** | **22.36** | **593.55** |
| **As at 31 March 2022** | **0.82** | **-** | **172.80** | **25.48** | **85.68** | **284.78** | **284.03** | **11.26** | **580.07** |

**Note:**

**(i) Impairment testing of goodwill and intangible assets**

For the purpose of impairment testing, goodwill acquired in a business combination amounting to ₹ 284.03 Crores (31 March 2021: ₹ 281.72 Crores) has been allocated to a respective cash generating unit (CGU). The Group has performed an annual impairment test to ascertain the recoverable amount of CGU. The recoverable amount is determined based on value in use calculation. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering generally over a period of 5 years. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates. Management has determined following assumptions for impairment testing of CGU as stated below.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Assumption | 31-Mar-22 | Approach used in determining value |
|---|---|---|
| Weighted average Cost of capital % (WACC) before tax (discount rate) | 9% - 15% | It has been determined basis risk free rate of return adjusted for equity risk premium |
| Long Term Growth Rate | 4% - 5% | This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports. |

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is no impairment of any of the CGU to which the goodwill pertains. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of CGU. Based on this analysis, management believes that change in any of above assumption would not cause any material possible change in carrying value of unit's CGU over and above its recoverable amount.

**(ii) Ageing of intangible asset under development is as follows:**

| As at 31 March 2022 | | | | | |
|---|---|---|---|---|---|
| **Particulars** | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 9.84 | 1.42 | - | - | **11.26** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **9.84** | **1.42** | **-** | **-** | **11.26** |

| As at 31 March 2021 | | | | | |
|---|---|---|---|---|---|
| **Particulars** | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 14.59 | 1.38 | 0.62 | 5.77 | **22.36** |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **14.59** | **1.38** | **0.62** | **5.77** | **22.36** |

**(iii)** There is no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

| | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| **6 NON-CURRENT INVESTMENTS** | | | | |
| **Investment in associates and joint ventures** | | | | |
| **Unquoted equity investments accounted for using the equity method** | | | | |
| **(i) Investment in equity shares of associates** | | | | |
| Minda NexGenTech Limited {3,120,000 equity shares (31 March 2021 3,120,000 equity shares) of ₹10/- each, fully paid up} | 6.46 | | 5.59 | |
| Less: provision for impairment in the value of investments | (3.12) | | (3.12) | |
| | 3.34 | 3.34 | 2.47 | 2.47 |
| Kosei Minda Aluminium Co Private Limited {2,87,37,371 equity shares (31 March 2021- 2,87,37,371 equity shares) of ₹10/- each, fully paid up} | | 10.25 | | 3.52 |
| Strongsun Renewables Private Limited {3,41,600 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 2.64 | | - |
| CSE Dakshina Solar Private Limited {2,12,000 equity shares (31 March 2021- Nil equity shares) of ₹10/- each, fully paid up} | | 1.67 | | - |
| **Sub-Total (i)** | | **17.90** | | **5.99** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (ii) | **Investment in equity shares of joint venture** | | |
| | Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) {2,774,700 equity shares (31 March 2021 2,725,000 equity shares) of ₹10/- each, fully paid up} | 17.29 | 8.19 |
| | Roki Minda Co. Private Limited {40,924,800 equity shares (31 March 2021 40,924,800 equity shares) of ₹10/- each, fully paid up} | 117.41 | 110.67 |
| | Minda TG Rubber Private Limited {25,766,730 equity shares (31 March 2021 25,766,730) of ₹10/- each, fully paid up} | 28.10 | 26.10 |
| | Minda TTE Daps Private Limited {4,990,513 equity shares (31 March 2021 4,990,513 equity shares) of ₹ 10/- each, fully paid up} | 0.52 | - |
| | Minda Onkyo India Private Limited {39,843,031 equity shares (31 March 2021 33,043,031 equity shares) of ₹ 10/- each, fully paid up} | 10.59 | 3.56 |
| | Minda D-Ten India Private Limited {2,544,900 equity shares (31 March 2021 2,544,900 equity shares) of ₹ 10/- each, fully paid up} | 9.65 | 7.89 |
| | Denso Ten Minda India Private Limited {35,525,000 equity shares (31 March 2021 35,525,000 equity shares) of ₹ 10/- each, fully paid up} | 68.54 | 53.41 |
| | Rinder Riduco S.A.S. - 850,000 equity shares (previous year 850,000 equity shares) of COP 1/- each, fully paid up | 12.22 | 10.40 |
| | Kosei Minda Mould Private Limited {6,341,645 equity shares (31 March 2021- 6,341,645 equity shares) of ₹ 10/- each, fully paid up} | 5.09 | 4.34 |
| | Tokai Rika Minda India Private Limited {6,53,57,143 equity shares (31 March 2021- 6,53,57,143 equity shares ) of ₹ 10/- each, fully paid up} | 64.59 | 61.84 |
| | Toyoda Gosei Minda India Private Limited {24,37,80,000 equity shares (31 March 2021- 24,37,80,000 equity shares ) of ₹ 10/- each, fully paid up} | 242.64 | 232.00 |
| | **Sub-Total (ii)** | **576.64** | **518.40** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| | **Unquoted investment in the capital of partnership firms accounted for using the equity method {refer note (b) below}** | | |
| (iii) | **Investment in associates** | | |
| | Yogendra Engineering | 0.08 | 0.08 |
| | Auto Component {Refer note (c) below} | - | 4.14 |
| | **Sub-Total (iii)** | **0.08** | **4.22** |
| | **Total (i) to (iii)** | **594.62** | **528.61** |
| | Aggregate value of unquoted equity investments valued at cost | 594.54 | 524.39 |
| | Aggregate value of unquoted investment in the capital of partnership firms | 0.08 | 4.22 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Notes:**

(a) The group is of the view that the operations of its each investee companies represent a single cash-generating unit (‘CGU’).The group has identified the investments where indicators of impairment exists and performed an impairment assessment on those investments as at 31 March 2022 and 31 March 2021 to ascertain the recoverable amount of their respective CGU. The recoverable amount is determined based on value in use calculation. The group adjusts the carrying value of the investment for the consequential impairment loss, if any. These calculations uses management assumptions and pre tax cash flow projections based on financed budgets approved by management covering generally over a period of 5 years. Cash flow projection beyond 5 years time period are extrapolated using the estimated growth rates which is consistent with forecasts included in industry reports specific to industry in which CGU operates. Management has determined following assumptions for impairment testing of CGU as stated below:

| Particulars | 31 March 2022 | 31 March 2021 |
|---|---|---|
| Terminal growth rate | 4% - 5% | 4% - 5% |
| Weighted average cost of capital | 9% - 15% | 7%-15% |

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The calculations performed indicate that there is no impairment of any of the CGU other than those already provided for. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of CGU. Based on this analysis, management believes that change in any of above assumption would not cause any material possible change in carrying value of unit’s CGU over and above its recoverable amount.

(b) Following are the details of investment in partnership firm disclosing their capital and share of profit/(loss) as at 31 March 2022 and 31 March 2021:

| Partnership Firm | Name of the Partners | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|---|
| | | Share in total Capital | Share in Profit | Share in total Capital | Share in Profit |
| Yogendra Engineering | Minda Industries Limited | 0.08 | 48.90% | 0.08 | 48.90% |
| | Mr. Sanjeev Garg | 0.03 | 12.50% | 0.03 | 12.50% |
| | Mrs. Suman Minda | - | 38.60% | - | 38.60% |
| Auto Component | Minda Industries Limited | - | - | 4.14 | 48.90% |
| | Mr. Nirmal Kumar Minda | - | - | 1.84 | 20.55% |
| | Ms. Pallak Minda | - | - | 2.20 | 25.55% |
| | Mr. Sanjeev Garg | - | - | 0.29 | 5.00% |

(c) During the current year, the group has acquired additional stake in partnership firm namely “Auto Component” due to which it has become subsidiary of the group and has been accounted for in accordance with Ind AS 103 “Business combination”.

(d) 0.00 represents the amount below ₹ 50,000

## 7 FINANCIAL ASSETS

### (A) Current Investments

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Quoted investments measured at fair value through profit and loss:** | | |
| Investments in mutual funds of Axis Mutual fund {88,984.87 units (31 March 2021: Nil) of ₹ 1123.95 per unit} | 10.00 | - |
| SBI Liquid Fund {1627.54 units (31 March 2021: 1627.54 units)} | 0.70 | 0.52 |
| ICICI Prudential Liquid Fund {17216.86 units (31 March 2021: 17216.86 units)} | 0.70 | 0.52 |
| HDFC Liquid Fund {1296.34 units (31 March 2021: 1296.34 units)} | 0.69 | 0.52 |
| | **12.09** | **1.56** |
| Aggregate value of quoted investments measured at fair value through profit and loss | 12.09 | 1.56 |
| Aggregate market value of quoted investments measured at fair value through profit and loss | 12.09 | 1.56 |
| Aggregate amount of impairment in value of investments | - | - |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(B)** | **Trade receivables (valued at amortised cost)** | | | | |
| | **(Unsecured)** | | | | |
| | Trade receivables from contract with customers - considered goods - billed | - | - | 1,284.77 | 1,167.19 |
| | Trade receivables from contract with customers - considered goods - unbilled | - | - | 50.14 | 1.24 |
| | Trade receivables from contract with customers - considered good – related parties | - | - | 41.74 | 30.39 |
| | Trade receivables from contract with customers - significant increase in credit risk | | | 0.05 | - |
| | Trade receivables from contract with customers - credit impaired | - | - | 9.26 | 12.03 |
| | | **-** | **-** | **1,385.96** | **1,210.85** |
| | less: Impairment allowance for trade receivable - significant increase in credit risk | - | - | (0.05) | - |
| | less: Impairment allowance for trade receivable - credit impaired | - | - | (9.26) | (12.03) |
| | **Total** | **-** | **-** | **1,376.65** | **1,198.82** |

**Notes:**

**(a) Trade receivables Ageing Schedule**

**As at 31 March 2022**

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 50.14 | 908.87 | 398.38 | 9.26 | 5.12 | 2.07 | 2.81 | 1,376.65 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | 0.05 | - | - | - | - | 0.05 |
| Undisputed Trade Receivables – credit impaired | - | - | 0.88 | 0.45 | 0.63 | 0.02 | 0.67 | 2.65 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | 0.01 | 0.01 | 1.52 | 2.28 | 1.06 | 1.73 | 6.61 |
| **Total** | **50.14** | **908.88** | **399.32** | **11.23** | **8.03** | **3.15** | **5.21** | **1,385.96** |
| Less: Impairment allowance for trade receivable - significant increase in credit risk | | | | | | | | (0.05) |
| Less: Impairment allowance for trade receivable - credit impaired | | | | | | | | (9.26) |
| **Net Trade receivables** | **50.14** | **908.88** | **399.32** | **11.23** | **8.03** | **3.15** | **5.21** | **1,376.65** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| As at 31 March 2021 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Unbilled** | **Not due** | **Outstanding for following periods from the due date of payment** | | | | | **Total** |
| | | | **Less than 6 Months** | **6 months – 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | |
| Undisputed Trade Receivables – considered good | 1.24 | 896.20 | 290.39 | 5.26 | 2.63 | 1.64 | 1.46 | 1,198.82 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | - | 2.41 | 2.27 | 1.77 | 1.06 | 1.89 | 9.40 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | 1.18 | 0.42 | 0.06 | - | 0.01 | 0.96 | 2.63 |
| **Total** | **1.24** | **897.38** | **293.22** | **7.59** | **4.40** | **2.71** | **4.31** | **1,210.85** |
| Less: Impairment allowance for trade receivable - credit impaired | - | | | | | | | (12.03) |
| **Net Trade receivables** | **1.24** | **897.38** | **293.22** | **7.59** | **4.40** | **2.71** | **4.31** | **1,198.82** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (b) | The movement in allowance for expected credit loss on credit impairment trade receivables is as follows: | | |
| | **Balance as at beginning of the year** | 12.03 | 10.57 |
| | Addition during the year | 3.19 | 4.73 |
| | Utilisation of provision during the year | (5.96) | (3.27) |
| | **Balance as at the end of the year** | **9.26** | **12.03** |

(c) Trade receivables includes ₹ 17.45 Crores (31 March 2021: ₹ 24.05 Crores ) due from private companies in which director of the parent company is a director. Apart from this there is no other trade or other receivable are due from directors or other officers of the parent company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director of parent company is a partner, a director or a member {refer note 32)

(d) For terms and conditions relating to related party receivables, refer Note 32.

(e) Trade receivables are non-interest bearing and are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(C) Cash and cash equivalents (valued at amortised cost)** | | | | |
| Balances with banks | | | | |
| In current / cash credit accounts | - | - | 134.79 | 159.47 |
| Deposits with a original maturity of less than three months {refer note (b)} | - | - | 66.93 | 45.40 |
| Cash on hand | - | - | 0.56 | 0.74 |
| | - | - | **202.27** | **205.61** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Notes:**

(A) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(B) Short-term deposits are made of varying periods between one day to three months depending on the immediate cash requirements of the group and earn interest at the respective short-term deposits rates.

(c) **Change in liabilities arising from financing activities:**

| | Long term borrowing | | Short term borrowing | | Lease liabilities | |
|---|---|---|---|---|---|---|
| | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 | 31 March 2022 | 31 March 2021 |
| Opening balance | 539.12 | 792.69 | 313.78 | 404.13 | 110.71 | 116.82 |
| Addition on account of new leases during the year | - | - | - | - | 59.00 | 30.73 |
| Addition of debt component of other financial instruments | 212.46 | - | - | - | - | - |
| Redemption of debt component of other financial instruments | (212.34) | - | - | - | - | - |
| Deletion during the year | - | - | - | - | (9.30) | (15.92) |
| Lease modification impact | - | - | - | - | (1.04) | |
| Cash inflow | 133.49 | - | 127.40 | 75.83 | - | - |
| Cash outflow | (297.91) | (200.92) | - | - | (38.14) | (27.45) |
| Finance cost | 15.11 | 42.88 | 21.15 | 18.38 | 7.43 | 6.53 |
| Payment of finance cost | (10.85) | (45.30) | (21.15) | (18.38) | - | - |
| Interest accrued but not due | (4.38) | (4.58) | (0.01) | - | - | - |
| Current maturities of short term borrowing | 176.51 | 166.18 | (176.51) | (166.18) | - | - |
| Foreign currency translation impact | - | - | - | - | (0.74) | |
| Others | - | (16.21) | - | - | - | - |
| **Closing balance** | **551.21** | **734.74** | **264.66** | **313.78** | **127.92** | **110.71** |
| Long term borrowing {refer note 13(A)} | 374.70 | 539.12 | - | - | - | - |
| Current maturity of long term borrowing {refer note 13(A)} | 176.51 | 195.62 | - | - | - | - |
| Short term borrowing {refer note 13(A)} | - | - | 264.67 | 313.78 | - | - |
| Non-current lease liability {refer note 13(B)} | - | - | - | - | 111.01 | 90.55 |
| Current maturity of long term lease liability {refer note 13(B)} | - | - | - | - | 16.90 | 20.16 |

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(D) Other Bank balances (valued at amortised cost)** | | | | |
| Deposits with original maturity of more than three months but less than twelve months {refer note (a)} | - | - | 24.02 | 31.85 |
| Deposits with original maturity of more than twelve months | - | - | 7.19 | - |
| Unpaid dividend accounts {refer note (b)} | - | - | 0.72 | 0.72 |
| | - | - | **31.93** | **32.57** |

**Notes:**

(a) The deposits maintained by the group with banks comprise of the time deposits, which may be withdrawn by the group at any point of time without prior notice and are made of varying periods between three months to twelve months depending on the immediate cash requirements of the group and earn interest at the respective short-term deposit rates.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(b) Unpaid dividend includes the amount payable the parent company to Investor Education and Protection Fund amounting to ₹ 0.02 Crores which has been paid on 23 May 2022. Apart from this, unpaid dividend account does not include any amount payable to Investor Education and Protection Fund. The group can utilise the balance towards settlement of unclaimed dividend.

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(E) Other financial assets (Unsecured, considered good unless otherwise stated)** | | | | |
| **Financial assets measured at fair value through profit and loss** | | | | |
| Unquoted equity investments measured at fair value through profit and loss: | | | | |
| Minda Industrial E Comercio De Autopecsa Limited | - | 0.07 | - | - |
| OPG Power Generation Private Limited | 0.01 | 0.04 | - | - |
| Life Insurance Corporation of India, Mumbai | - | 0.73 | - | - |
| Paras Green Power LLP | 0.03 | 0.03 | - | - |
| Green Infra Wind Energy Theni Limited | 0.16 | 0.12 | - | - |
| Shree Mother Capfin and Securities Private Limited | 0.00 | 0.00 | - | - |
| Semb Corp Mulanur Wind Energy Limited | 0.00 | 0.00 | - | - |
| Derivatives financial instruments | - | - | 8.06 | 5.32 |
| **Financial assets measured at amortised cost** | | | | |
| Security deposits | 26.10 | 26.96 | 2.08 | 0.41 |
| Deposits with original maturity of more than twelve months | 1.13 | 1.24 | - | - |
| Interest accrued on bank deposits | - | - | 0.28 | 2.26 |
| Loan to employees | 0.12 | - | 5.52 | 3.18 |
| Incentive receivable {refer note (i)} | - | - | 1.98 | 3.73 |
| Retention money given to customers | - | 1.65 | - | - |
| Insurance claim receivable | - | - | - | 1.26 |
| Others {refer note (ii)} | - | 0.19 | 28.25 | 14.06 |
| | **27.54** | **31.03** | **46.17** | **30.22** |
| Less: Impairment allowance for security deposit - credit impaired | (1.58) | - | - | - |
| Less: Impairment allowance for investment - credit impaired | - | (0.07) | - | - |
| | **25.96** | **30.96** | **46.17** | **30.22** |

**Notes**

(i) **Movement of government grant receivable**

| | Year ended 31 March 2022 | Year ended 31 March 2022 |
|---|---|---|
| Opening balance | 3.73 | 11.42 |
| Accrual of grant related to income (credited to statement of profit and loss account) {refer note below} | 9.32 | 6.90 |
| Grant related to income realised | (11.07) | (14.59) |
| **Closing balance** | **1.98** | **3.73** |

Note: The above grant relates to export incentive which is recognised in the statement of profit and loss {refer note (18)}

(ii) Others includes the claims receivable from customer and other receivables etc.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | Year ended 31 March 2022 | Year ended 31 March 2022 |
|---|---|---|---|
| 8 | **INVENTORIES** | | |
| | (Valued at lower of cost and net realisable value unless otherwise stated) | | |
| | Raw material and components | 543.77 | 358.16 |
| | Work-in-progress | 144.96 | 115.80 |
| | Finished goods | 149.28 | 108.57 |
| | Traded goods | 113.53 | 100.52 |
| | Stores and spares | 49.01 | 47.94 |
| | Loose tools | 45.89 | 19.57 |
| | | **1,046.43** | **750.56** |

**Notes:**

| | | | |
|---|---|---|---|
| (a) | Refer note 13 for inventory pledged/hypothecated as security for borrowing by the group. | **1,046.43** | **750.56** |
| (b) | During the year ended 31 March 2022 ₹ 7.81 Crores (31 March 2021: ₹ 4.02 Crores) was recognised as an expense for inventories carried at net realisable value | | |
| (b) | The above includes the goods in transits as under: | | |
| | Raw material | 31.33 | 30.69 |
| | Finished goods | 48.80 | 31.36 |
| | Traded goods | 14.94 | 17.62 |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 9 | **OTHER ASSETS** | | | | |
| | **(Unsecured considered good, unless otherwise stated)** | | | | |
| | Capital advances | 35.50 | 38.08 | - | - |
| | **Advance other than capital advance** | | | | |
| | Advance for material and supplies considered good | - | - | 70.93 | 69.63 |
| | Advance for material and supplies credit impaired | - | - | 2.21 | 2.33 |
| | **Others** | | | | |
| | Prepaid expenses | 2.19 | 0.21 | 21.43 | 19.27 |
| | Balances with government authorities considered good | 1.01 | - | 147.60 | 112.26 |
| | Balances with government authorities credit impaired | - | - | 0.54 | 0.29 |
| | Others | - | 0.98 | 0.43 | 0.85 |
| | | **38.69** | **39.27** | **243.14** | **204.63** |
| | Less: Impairment allowance for advance for material and supplies credit impaired | - | - | (2.21) | (2.33) |
| | Less: Impairment allowance for balances with government authorities credit impaired | - | - | (0.54) | (0.29) |
| | | **38.69** | **39.27** | **240.39** | **202.01** |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 10 | **NON-CURRENT TAX ASSETS** | | | | |
| | Income Tax assets (net of provision for income tax) | - | - | 31.47 | 26.17 |
| | | - | - | **31.47** | **26.17** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|---|
| | | Number | Amount | Number | Amount |
| 11 | SHARE CAPITAL | | | | |
| (i) | Authorised Share capital | | | | |
| | **Equity share capital** | | | | |
| | Equity shares of ₹2/- each with voting rights | 73,62,13,000 | 147.24 | 65,07,53,000 | 130.15 |
| | Equity shares of ₹10/- each with voting rights | - | - | 1,70,46,000 | 17.05 |
| | **Preference share capital** | | | | |
| | 9% Cumulative redeemable preference shares of ₹10/- each (Class 'A') | - | - | 30,00,000 | 3.00 |
| | 3% Cumulative compulsorily convertible preference shares of ₹2,187/- each (Class 'B') | - | - | 1,83,500 | 40.13 |
| | 3% Cumulative redeemable preference shares of ₹10/- each (Class 'C') | - | - | 35,00,000 | 3.50 |
| | 1% Non-cumulative fully convertible preference shares of ₹10/- each (Class 'D') | - | - | 1,00,00,000 | 10.00 |
| | 8% Non-cumulative redeemable preference shares of ₹10/- each (Class 'E') | 2,75,00,000 | 27.50 | 2,75,00,000 | 27.50 |
| | 14% Non-cumulative Redeemable Preference shares of ₹10/- each | - | - | 20,00,000 | 2.00 |
| | 13.5% Preference shares of ₹10/- each (Class 'A') | - | - | 2,000 | 0.00 |
| | 13.5% Preference shares of ₹100/- each (Class 'B') | - | - | 600 | 0.01 |
| | 2% Redeemable preference shares of ₹10/- each (Class 'C') | - | - | 1,10,000 | 0.11 |
| | 0.01% Non-convertible redeemable Preference Shares of ₹ 100/- each | 3,36,94,945 | 336.95 | - | - |
| | | | **511.69** | | **233.44** |
| (ii) | Issued, subscribed and fully paid up | | | | |
| | **Equity share capital** | | | | |
| | Equity shares of ₹2/- each with voting rights | 28,56,20,441 | 57.12 | 27,19,28,704 | 54.39 |
| | | **28,56,20,441** | **57.12** | **27,19,28,704** | **54.39** |
| (iii) | Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: | | | | |
| | **Equity shares of ₹2/- each with voting rights** | | | | |
| | Balance at the beginning of the year | 27,19,28,704 | 54.39 | 26,22,16,965 | 52.44 |
| | Add: Issue of equity shares under right issue | - | - | 97,11,739 | 1.95 |
| | Add: Issue of equity shares on settlement of consideration payable | 39,69,737 | 0.79 | - | - |
| | Add: Issue of equity shares under preferential allotment to qualified institutional buyers | 97,22,000 | 1.94 | - | - |
| | **Balance at the end of the year** | **28,56,20,441** | **57.12** | **27,19,28,704** | **54.39** |
| | **0.01% Non-convertible redeemable Preference Shares of ₹ 100/- each** | | | | |
| | Balance at the beginning of the year | - | - | - | - |
| | Add: Issue of equity shares on settlement of consideration payable | 1,88,84,662 | 188.87 | - | - |
| | Redemption during the year | 1,88,75,002 | 188.75 | - | - |
| | **Balance at the end of the year {refer note below}** | **9,660** | **0.12** | - | - |

**Note:** 0.01% Non-convertible redeemable Preference Shares of ₹ 100/- each are classified as compound financial instrument and liability component of these shares has been disclosed under non-current borrowing {refer note 13(A)(vii)}

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

(iv) **Details of shares held by promoters**

**As at 31 March 2022**

| Promoter and promoter group | As at 31 March 2022 | | As at 31 March 2021 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of Total Shares | No. of shares | % of Total Shares | |
| **Equity shares of ₹2/- each with voting rights** | | | | | |
| Nirmal K. Minda | 6,45,82,210 | 22.61% | 6,70,62,700 | 24.66% | -2.05% |
| Mrs. Suman Minda | 4,00,00,737 | 14.00% | 4,00,00,737 | 14.71% | -0.71% |
| Pallak Minda | 33,86,133 | 1.19% | 33,86,133 | 1.25% | -0.06% |
| Paridhi Minda | 33,86,133 | 1.19% | 22,15,643 | 0.81% | 0.38% |
| Amit Minda | 1,00,000 | 0.04% | 12,79,614 | 0.47% | -0.43% |
| Anand Kumar Minda | 12,06,500 | 0.42% | 41,500 | 0.02% | 0.40% |
| Maa Vaishno devi Endowment | 3,24,690 | 0.11% | 3,24,690 | 0.12% | -0.01% |
| Minda Investments Limited | 6,77,74,957 | 23.73% | 6,69,44,957 | 24.62% | -0.89% |
| Singhal Fincap Limited | 82,05,713 | 2.87% | 77,25,713 | 2.84% | 0.03% |
| Minda Finance Limited | 37,38,624 | 1.31% | 37,38,624 | 1.37% | -0.06% |
| **Total** | **19,27,05,697** | **67.47%** | **19,27,20,311** | **70.87%** | |

**As at 31 March 2021**

| Promoter and promoter group | As at 31 March 2021 | | As at 31 March 2020 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of Total Shares | No. of shares | % of Total Shares | |
| **Equity shares of ₹2/- each with voting rights** | | | | | |
| Nirmal K. Minda | 6,70,62,700 | 24.66% | 6,53,71,530 | 24.93% | -0.27% |
| Mrs. Suman Minda | 4,00,00,737 | 14.71% | 3,85,72,140 | 14.71% | 0.00% |
| Pallak Minda | 33,86,133 | 1.25% | 32,65,200 | 1.25% | 0.00% |
| Paridhi Minda | 22,15,643 | 0.81% | 17,10,115 | 0.65% | 0.16% |
| Amit Minda | 12,79,614 | 0.47% | 12,92,520 | 0.49% | -0.02% |
| Anand Kumar Minda | 41,500 | 0.02% | 54,000 | 0.02% | 0.00% |
| Maa Vaishno devi Endowment | 3,24,690 | 0.12% | 3,24,690 | 0.12% | 0.00% |
| Minda Investments Limited | 6,69,44,957 | 24.62% | 6,38,50,140 | 24.35% | 0.27% |
| Singhal Fincap Limited | 77,25,713 | 2.84% | 74,49,795 | 2.84% | 0.00% |
| Minda Finance Limited | 37,38,624 | 1.37% | 37,38,302 | 1.43% | -0.06% |
| **Total** | **19,27,20,311** | **70.87%** | **18,56,28,432** | **70.79%** | |

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

| Name of shareholders | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | No. of shares | % holding | No. of shares | % holding |
| **Equity shares of ₹2/- each with voting rights** | | | | |
| Mr. Nirmal K Minda | 6,45,82,210 | 22.61% | 6,70,62,700 | 24.66% |
| Mrs. Suman Minda | 4,00,00,737 | 14.00% | 4,00,00,737 | 14.71% |
| Minda Investments Limited | 6,77,74,957 | 23.73% | 6,69,44,957 | 24.62% |
| Matthews Asia Dividend Fund | 1,22,54,092 | 4.29% | 1,36,19,268 | 5.01% |

(vi) **Terms/rights attached to equity shares**

The parent company has only one class of issued equity shares capital having par value of ₹2/- per share (31 March 2021 ₹ 2/- per share). Each shareholder is entitled to one vote per share held. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(vii) **Terms/ rights attached to preference shares**

The parent Company has only one class of issued preference shares capital having par value of ₹100/- per share (31 March 2021 ₹ Nil) which are compulsorily redeemable on the expiry of 36 months from the date of allotment thereof with an option with to redeem them at the option of preference shareholder to redeem them any time after the expiry of 18 months, wherein the yield and the coupon shall be adjusted proportionately. Each 0.01% non-convertible redeemable preference share shall be redeemed at the issue price of ₹ 121.25 together with a yield of 7.5% p.a. on the issue price such that the redemption price, if redeemable preference shares are redeemed at the end of 36 months shall be ₹ 150.60 per share. The preference shares carry a dividend of 0.01% per annum. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation. The presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policy.

(viii) Aggregate number of shares issued as bonus and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date are as follows:

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Equity shares allotted as fully paid up by way of bonus shares by capitalisation of securities premium | 17,43,42,310 | 17,43,42,310 |
| Equity shares issued on settlement of consideration payable | 39,69,737 | - |
| 0.01% Non-convertible redeemable Preference Shares issued on settlement of consideration payable * | 1,88,84,662 | - |

* Out of the 1,88,84,662 non-convertible redeemable preference shares issued during the year, 1,88,75,002 non-convertible redeemable preference shares have been redeemed during the year.

(ix) During the previous year, the Board of Directors of the parent company had approved issue of 9,711,739 fully paid up equity shares of face value of ₹ 2 each (the "Rights Equity Shares") amounting to ₹ 242.79 Crores at a price of ₹250 per Rights Equity Share (including securities premium of ₹248 per Rights Equity Share), in the ratio of 1 Rights Equity Shares for every 27 existing fully paid-up shares held by the eligible equity shareholders as on 17 August 2020, the Record date. Further, on 15 September 2020, the Rights Issue Committee of the Board of Directors approved the allotment of Rights Equity Shares in relation to the said Rights Issue and consequently Rights issue shares were issued during the previous year. There is no deviation in use of proceeds from the objects stated in the Offer document for rights issue.

(x) During the current year the Parent Company has issued 97,22,000 fully paid up equity shares of face value of ₹ 2 each amounting to ₹ 699.98 Crores at a price of ₹ 720 per equity share (including securities premium of ₹ 718 per equity share) to Qualified institutional buyers (QIB) pursuant to resolution passed by board of directors dated 13 June 2021 and special resolution passed by shareholder in Extra-ordinary general meeting dated 22 July 2021. The funds so received have been utilised for the purpose for which these funds have been raised.

(xi) **Shares reserved for issue under Employee stock option plan**

Information relating to Employee stock option plan, including details of option issued, exercised and lapsed during the financial year and options outstanding as at end of the reporting period are set out in note 31.

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (xii) | **Dividend paid and proposed** | | |
| | **Dividend declared and paid during the year** | | |
| | Final dividend of ₹ 0.50 per share for the FY 2020-21 (₹ Nil per share for FY 2019-20) | 14.28 | - |
| | Interim dividend of ₹ 0.50 per share for the FY 2021-22 (₹ 0.35 per share for FY 2020-21) | 14.28 | 9.52 |
| | | **28.56** | **9.52** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Proposed dividends on equity shares:** | | |
| Final dividend for the year ended 31 March 2022 ₹ 1 per equity share of ₹ 2 each (31 March 2021: ₹ 0.50 per equity share of ₹ 2 each) recommended by the board of directors subject to approval of shareholders in the ensuing annual general meeting. | 28.56 | 13.60 |
| Final dividend for the year ended 31 March 2022 ₹ 0.01 per 0.01% non-convertible redeemable preference share of ₹ 100 each (31 March 2021: ₹ Nil ) recommended by the board of directors subject to approval of shareholders in the ensuing annual general meeting. | 0.00 | - |
| | **28.56** | **13.60** |

**Notes:**

(a) The board of directors in their meeting held on 24 May 2022 have also proposed the bonus issue of 1 (one) equity share of ₹ 2 each for every 1 (one) equity share of ₹ 2 each held by the shareholders of the Company on the record date

(b) 0.00 represents the amount below ₹ 50,000

### 12 (A) OTHER EQUITY

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Equity component of other financial instruments | 6.55 | 6.55 |
| Securities premium | 1,439.13 | 625.64 |
| Capital redemption reserve | 18.39 | 18.39 |
| Capital reserve | 3.28 | 3.28 |
| Capital reserves arising on amalgamation | 177.01 | 177.01 |
| General Reserve | 71.06 | 71.06 |
| Employee stock options reserve | 27.61 | 2.25 |
| Share pending issuances | - | - |
| Foreign currency translation reserve | 37.47 | 13.52 |
| Effective portion of Cash Flow Hedges | (1.70) | 3.98 |
| Retained earnings | 1,602.53 | 1,280.50 |
| **Total other equity** | **3,381.33** | **2,202.18** |

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (i) | **Equity component of other financial instruments** | | |
| | **Opening balance** | 6.55 | 6.55 |
| | Movement during the year | - | - |
| | **Closing balance** | **6.55** | **6.55** |
| (ii) | **Securities premium** | | |
| | **Opening balance** | 625.64 | 390.33 |
| | Add: Security premium on issue of shares under right issue | - | 240.85 |
| | Add: Security premium on issue of shares under preferential allotment | 698.04 | - |
| | Add: Security premium on issue of non-convertible redeemable preference shares on settlement of consideration payable | 125.43 | - |
| | Less: Amount utilised towards expenses incurred for issue of shares under right issue / preferential allotment | (9.98) | (2.41) |
| | Less: Purchase of non controlling interest | - | (3.13) |
| | **Closing balance** | **1,439.13** | **625.64** |
| (iii) | **Capital redemption reserve** | | |
| | **Opening balance** | 18.39 | 18.39 |
| | Movement during the year | - | - |
| | **Closing balance** | **18.39** | **18.39** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (iv) | **Capital reserves** | | |
| | **Opening balance** | 3.28 | 3.28 |
| | Movement during the year | - | - |
| | **Closing balance** | **3.28** | **3.28** |
| (v) | **Capital reserves arising on amalgamation** | | |
| | **Opening balance** | 177.01 | 177.01 |
| | Movement during the year | - | - |
| | **Closing balance** | **177.01** | **177.01** |
| (vi) | **General Reserve** | | |
| | **Opening balance** | 71.06 | 71.06 |
| | Movement during the year | - | - |
| | **Closing balance** | **71.06** | **71.06** |
| (vii) | **Employee stock options reserve** | | |
| | **Opening balance** | 2.25 | 1.20 |
| | Movement during the year | 25.36 | 1.05 |
| | **Closing balance** | **27.61** | **2.25** |
| (viii) | **Share pending issuance** | | |
| | **Opening balance** | - | 52.00 |
| | Purchase of non controlling interest | - | (52.00) |
| | **Closing balance** | - | - |
| (ix) | **Foreign currency translation reserve** | | |
| | **Opening balance** | 13.52 | 5.38 |
| | Movement during the year | 23.95 | 8.14 |
| | **Closing balance** | **37.47** | **13.52** |
| (x) | **Effective portion of Cash Flow Hedges** | | |
| | **Opening balance** | 3.98 | - |
| | Addition during the year | (1.70) | 3.98 |
| | Deletion during the year | (3.98) | - |
| | **Closing balance** | **(1.70)** | **3.98** |
| (xi) | **Retained earnings** | | |
| | **Opening balance** | 1,280.50 | 1,083.44 |
| | Net profit for the year | 355.80 | 206.63 |
| | Other comprehensive income / (loss) for the year | (0.06) | 2.19 |
| | Pursuant to loss of control in a subsidiary {refer note (37)} | - | 1.48 |
| | Dividend paid during the year | (28.56) | (9.52) |
| | Dilution of non-controlling interest {refer note (37)} | (5.15) | - |
| | Others | - | (3.72) |
| | **Closing balance** | **1,602.53** | **1,280.50** |

(All amounts in Indian ₹ Crores, unless otherwise stated)

## Nature and purpose of other reserves

(i) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(ii) **Retained earnings**

Retained earnings are the profits that the group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions 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.

(iii) **Employee stock options reserve**

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(iv) **General Reserve**

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.

(v) **Capital redemption reserve**

The capital redemption reserve is a non-distributable reserve and represents preference shares redeemed.

(vi) **Capital reserves arising on amalgamation**

Reserve created on account of merger of subsidiaries is not available for distribution of dividend and expected to remain invested permanently.

(vii) **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.

(viii) **Share pending issuance**

It represents shares to be issued to a non-resident shareholder of transferor company pursuant to business combination.

(ix) **Equity component of other financial instruments**

Equity component of the other financial instruments is credited to other equity.

(x) **Foreign currency translation reserve**

This reserve is created due to changes in historic rates and closing rates of assets and liabilities of foreign subsidiary entities

(xi) **Effective portion of Cash Flow Hedges**

The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged items.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 12 (B) NON-CONTROLLING INTEREST

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Opening balance** | 306.45 | 282.84 |
| Net profit for the year | 56.84 | 41.81 |
| Other comprehensive income / (loss) for the year | 0.23 | 0.44 |
| Addition pursuant to business combination {refer note (37)} | 2.05 | - |
| Issue of equity shares to non-controlling shareholder | - | 9.80 |
| Dividend / Drawing made by non-controlling interest | (10.30) | (9.09) |
| Pursuant to loss of control in a subsidiary {refer note (37)} | - | (19.29) |
| Dilution of non-controlling interest {refer note (37)} | (28.97) | - |
| Others | - | (0.06) |
| **Closing balance** | **326.30** | **306.45** |

### 13 FINANCIAL LIABILITIES

#### (A) Borrowings (valued at amortised cost)

| | | Long term borrowing | | Short term borrowing | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (a) | **Term loans** | | | | |
| | Term loans from bank (secured) {refer note (i) below) | 496.73 | 665.12 | - | - |
| | Term loans from others (secured) {refer note (ii) below) | - | 9.66 | - | - |
| | Term loans from bank (unsecured) {refer note (iii) below) | 44.98 | 29.94 | - | - |
| | Term loans from others (unsecured) {refer note (iv) below) | 9.38 | 30.02 | | |
| (b) | **Loans repayable on demand {refer note (ii) below)** | | | | |
| | Working capital demand loan/cash credit from banks (secured) {refer note (v) below) | - | - | 99.25 | 99.76 |
| | Working capital demand loan/cash credit from banks (unsecured) {refer note (vi) below) | - | - | 124.42 | 146.02 |
| | Working capital demand loan from others (unsecured) {refer note (vii) below) | - | - | 41.00 | 68.00 |
| (c) | **Debt component of compound financial instruments** | 0.12 | - | - | - |
| (d) | **Current maturities of long term borrowings** | | | | |
| | Current maturities of term loan (secured) | (176.51) | (164.12) | 176.51 | 164.12 |
| | Current maturities of term loan (unsecured) | - | (31.50) | - | 31.50 |
| | | **374.70** | **539.12** | **441.18** | **509.40** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Notes:**

(i) **The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from banks are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Rupee Term Loan from HDFC Bank obtained by the parent company is secured by:<br>Movable Fixed assets ~First Pari passu charge on all movable property, plant and equipment of the Company<br>Immovable Fixed assets~ First Pari passu charge on Immovable property, plant and equipment of the Company. Collateral Details -<br>i) Village Nawada, Fatehpur, PO-Sikandarpur Badda, Manesar, Gurgaon<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana<br>iii) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar<br>iv) Land and building at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam,Vengadu Taluk, Sriperumpudur<br>(v) Plot No 5, Sector 10, Industrial Area,IIE Pantnagar, Udham Singh Nagar, Uttarakhand and<br>vi) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>Also, Negative Lien of<br>i) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt<br>ii) Property No. B-1/5 MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 18022 sq mt | Total loan sanctioned amounting to ₹100 Crores for the period of 60 Months including moratorium period of 18 months and repayable in 7 equal semi-annual payable post moratorium<br><br>Rate of interest- Repo rate plus 155 bps (31 March 2021: 1 year MCLR) | 57.15 | 75.00 |
| External Commercial Borrowing from HSBC Bank by the parent company is secured by : First pari passu charge on entire block of movable fixed assets of the company except those wherein other lenders have exclusive charge.<br>First pari passu charge on equitable mortgage at below location:-<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector2A, IMT Manesar | Total loan sanctioned amounting to USD 1 Crores having tenure of 60 month including moratorium of 12 months and repayment in 16 equal quarterly payable post moratorium<br><br>Rate of interest- 3 month LIBOR + 1.05% (31 March 2021: 3 month LIBOR + 1.05%) | 28.43 | 45.90 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | | | |
| External Commercial Borrowing from Citi Bank N.A. obtained by the parent company is secured by: First pari passu charge on the property, plant and equipment subject to min FACR of 1.25x<br>First pari passu charge on all movable and immovable property, plant and equipment of the Company at below locations:<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector2A, IMT Manesar. | Total loan sanctioned amounting to USD 0.8 Crores having tenure of 5 Years including moratorium of 12 months and repayment in 17 equal quarterly payable post moratorium<br><br>Rate of interest- 3 months LIBOR + 0.90% (31 March 2021: 3 months LIBOR + 0.90%) | 20.13 | 32.53 |
| External Commercial Borrowing from HSBC Bank obtained by parent company is secured by :<br>First Parri Passu charge on entire block of Movable fixed assets of the company except those wherein other lenders have exclusive charge.<br>First Pari passu charge on Equitable Mortgage at below locations:<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector2A, IMT Manesar<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | Total loan sanctioned amounting to USD 1.50 Crores having tenure of 75 month including moratorium of 15 months and repayment in 20 equal quarterly payable post moratorium. The loan has been fully repaid during the current year.<br><br>Rate of interest- 3 months LIBOR + 1% (3 months LIBOR + 1%) | - | 110.26 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| External Commercial Borrowing from Citi Bank obtained by parent company is secured by : First pari-passu charge on entire block of movable fixed asset of the company except those wherein lenders have exclusive charge<br>First pari-passu charge on immovable property by equitable mortgage as below: ;<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal<br>iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt.Pune. | Total loan sanctioned amounting to USD 1.40 Crores having tenure of 5 Years including moratorium of 18 months and repayment in 14 equal quarterly instalments post moratorium.<br><br>Rate of interest- 3 months LIBOR + 0.75% (31 March 2021: 3 months LIBOR + 0.75%) | 68.33 | 95.56 |
| Rupee term loan from Axis Bank obtained by the parent company is secured by:<br>First pari-passu charge on the entire fixed asset of the company both present and future as under (excluding immovable fixed asset situated at MIDC Chakan Industrial area, pune<br>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.<br>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana.<br>ii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar<br>iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand.<br>v) Plot No ME-I and ME-II, Sector-2A, IMT Manesar<br>vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur.<br>Negative Lien on :<br>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune<br>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. | Total loan sanctioned amounting to ₹ 30 Crores having tenure of 5.5 years including moratorium of 18 months and repayment in 16 equal quarterly instalments payable post moratorium. The loan has been fully repaid during the current year.<br><br>Rate of interest- 3 months MCLR + 0.10% (31 March 2021: 3 months MCLR + 0.10%) | - | 30.00 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Rupee term loan from Axis Bank obtained by parent company is obtained in two tranches and secured by way of:<br>**Loan -1:** Primary charge by way of first pari-passu charge on movable fixed asset of the company, both present and future. Collateral charge - First charge on equitable mortgage of land & building situated at CHAKAN (Pune) Second charge by way of hypothecation of entire current asset of the company assets of the company, both present and future.<br>Letter of comfort from Minda Industries Limited backed by board resolution<br>**Loan -2:** Exclusive charges by way of equitable mortgage on land & Building situated at Chakan(Pune). Exclusive charge on movable fixed asset of company's Chakan plant, both present & future. Exclusive charge on movable fixed asset of company's Hosur and Sonipat plant, both present & future. | Loan 1- Total loan sanctioned amounting to ₹30 Crores of which loan of ₹ 15 Crores was availed in FY 2020-21 repayable in 24 quarterly instalments of ₹1.25 Crores each starting after 12 months from the date of first disbursement.<br>Rate of interest : 12 months MCLR +1% (31 March 2021: 12 months MCLR +1% )<br>Loan 2- Total loan sanctioned amounting to ₹22 Crores repayable in 20 quarterly instalment of ₹ 1.10 Crores each starting after 6 months from the date of first disbursement.<br>Rate of interest : MCLR +1% (31 March 2021:MCLR +1% )<br>These loan have been fully repaid during the year | - | 15.01 |
| FCNR Loan from CITI Bank obtained by subsidiary company namely "Minda Kyoraku Limited" secured by"<br>- First charge on property, plant and equipment of the subsidiary company situated at Gujarat Unit (Both movable and immovable property, plant and equipment) | Rate of interest - ROI as on 31 March 2022 is 5.50% linked with 3 month treasury bill on outstanding principal amount.<br>The principal amount of ₹ 23,65,000,00/- is repayable in 16 equal quarterly instalments of ₹ 14,781,250/- commencing from 25 January 2022. | 23.65 | - |
| FCNR Loan from ICICI bank obtained by subsidiary company namely "Minda Kyoraku Limited" amounting to ₹ Nil (31 March 2021: ₹ 5.68 Crores) is secured by:<br>- First Pari Passu charge by way of mortgage over all the immovable fixed assets related to Gujarat Project both present and future (Immovable Fixed Assets) of subsidiary company<br>- First Pari Passu charge on all the movable fixed assets of the subsidiary company's Gujarat Project both present and future (Movable Fixed Assets)<br>- Second Pari Passu charge by way of hypothecation over current assets both present and future of the subsidiary Company. | Rate of interest - 3 months MCLR + 2% spread, the subsidiary company had taken an interest rate swap contract to fixed interest liabilities @ 6.68% P.A. on outstanding USD principal amount<br>The principal amount of USD 1,362,862.01 was repayable in 14 equal quarterly instalments of USD 97,347.29 commencing from 31 December 2019. Further, the subsidiary company has entered in to partial hedge contract for principal repayment in USD. The same has been closed during the year by making early payment | - | 5.68 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| FCNR Loan from ICICI Bank is obtained by subsidiary company namely "Minda Kyoraku Limited" amounting to ₹ Nil (31 March 2021:₹ 5.89 Crores) secured by:<br>- First Pari Passu charge by way of mortgage over all the immovable fixed assets related to Gujarat Project both present and future (Immovable Fixed Assets) of subsidiary company<br>- First Pari Passu charge on all the movable fixed assets of the subsidiary company's Gujarat Project both present and future (Movable Fixed Assets)<br>- Second Pari Passu charge by way of hypothecation over current assets both present and future of the subsidiary company. | Rate of interest - 3 months MCLR + 2% spread, the subsidiary company had taken a interest rate swap contract to fixed interest liabilities @ 6.61% P.A. on outstanding USD principal amount.<br>The principal amount of USD 1,413,627.37.00 was repayable in 9 equal quarterly instalments of USD 100,973.38 each commencing from 31 December 2019 and last payment for USD 504,866.95 has been paid on 28 February 2022. The subsidiary company had entered in to partial hedge contract for principal repayment in USD. | - | 5.89 |
| FCNR Loan from CITI Bank is obtained by subsidiary company namely "Minda Kyoraku Limited" secured by:<br>- First charge on property, plant and equipment of the entity situated at Gujarat Unit of subsidiary company (Both movable and immovable property, plant and equipment) | Rate of interest - 3 months MCLR + 2% spread, the subsidiary company has taken a interest rate swap contract to fixed interest liabilities @ 5.20% P.A. on outstanding ₹ principal amount.<br>The principal amount of USD 2,128,263.34 is repayable in 20 equal quarterly instalments of USD 106,413.17 commencing from 9 April 2020, the subsidiary company has entered in to partial hedge contract for principal repayment. | 9.68 | 12.42 |
| Rupee loan from IndusInd Bank obtained by subsidiary company namely "Minda Kosei Aluminium Wheel Private Limited" is secured by:<br>- First pari passu charge by way of equitable mortgage on immovable property (land and building) located at Bawal, Haryana and by way of hypothecation on all present and future moveable property, plant and equipment of. Subsidiary company<br>- Second pari passu charge by way of hypothecation on all the present and future current assets of subsidiary company. | Rate of interest - floating @ IndusInd Bank base rate 6 month MCLR. Currently 5.75% at 31 March 2022. (31 March 2021: 7.50% )<br>Maximum tenor of loan is for 96 months from the date of first disbursement.<br>Principal amount is repayable in 24 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in FY 2018-19. | 7.62 | 8.95 |
| Rupee loan from IndusInd Bank obtained by subsidiary company namely "Minda Kosei Aluminium Wheel Private Limited" is secured by:<br>- First pari passu charge by way of equitable mortgage on immovable property (land and building) located at Bawal, Haryana and by way of hypothecation on all present and future moveable property, plant and equipment of. Subsidiary company<br>- Second pari passu charge by way of hypothecation on all the present and future current assets of subsidiary company. | Rate of interest - floating @ IndusInd Bank base rate 6 month MCLR. Currently 5.75% at 31 March 2022. (31 March 2021: 7.50% )<br>Maximum tenor of loan is for 96 months from the date of first disbursement.<br>Principal amount is repayable in 24 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in FY 2015-16. | 7.85 | 12.49 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Foreign currency (USD) loan from SCB bank obtained by subsidiary company namely "Minda Kosei Aluminium Wheel Private Limited" is secured by:<br>- First pari passu charge on all movable PPE (both present and future) of Gujarat plant of subsidiary company.<br>- Second pari passu charge on current assets of subsidiary | Cost of funds + Bank's margin of 1.50%. Currently 8.55% at 31 March 2022. (31 March 2021: 8.55%)<br>Maximum tenor of loan shall not exceed 7 years from the date of first disbursement. Principal amount is repayable in 20 equal quarterly instalments after a moratorium period of 24 months from the date of first disbursement, with first repayment date to not go beyond 31 December 2019. | 22.74 | 30.87 |
| Rupee loan from HDFC bank obtained by subsidiary company namely "Minda Kosei Aluminium Wheel Private Limited" is secured by:<br>- First pari passu charge on equitable mortgage over immovable PPE (land and building of Gujarat Plant) and movable PPE (Property, plant and equipment of Gujarat plant and Bawal Phase 1 plant) of subsidiary company<br>- Second pari passu charge on stock and book debts of subsidiary company | Rate of interest - floating @ HDFC Bank base rate 6 month MCLR. Currently 5.75 % as at 31 March 2022 (31 March 2021 : 7.40 %)<br>Maximum tenor of loan is for 84 months from the date of first disbursement. Principal amount is repayable in 20 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in FY 2017-18. | 30.53 | 41.58 |
| Rupee loan from HDFC bank obtained by subsidiary company namely "Minda Kosei Aluminium Wheel Private Limited" is secured by:<br>- Exclusive charge over immovable PPE (land and building) both present and future of Bawal phase 2 of subsidiary company.<br>- First pari passu charge on equitable mortgage over movable PPE (plant and equipment of Gujarat plant, Bawal phase 1 plant and MFA to be created in Bawal phase 2) of subsidiary company<br>- Second pari passu charge on stock and book debts of subsidiary company | Rate of interest - floating @ HDFC Bank base rate 6 month MCLR. Currently rate is 5.75 % as at 31 March 2022.<br>Maximum tenor of loan is for 84 months from the date of first disbursement. Principal amount is repayable in 16 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in FY 2021-22. | 58.97 | - |
| Term loan from HDFC Bank Limited obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited" is secured by: Exclusive hypothecation on stock in trade, book debts and receivables. plant and machinery, fixed deposits and movable assets (both present and future) of subsidiary company | Rate of interest at 7.95 % on 31 March 2022 (31 March 2021: 8.45%).<br>Total loan sanctioned amounting to ₹ 15.07 Crores availed in previous year for fund based having tenure of 5 years including moratorium of 6 months. | 8.91 | 12.25 |
| Term Loan from SMBC bank obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited" is secured by corporate guarantee from Katolec corporation, Japan. | Rate of interest as at 31 March 2022 is 7.00 % and is repayable as per the terms of the contract. | 11.91 | - |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Term loan from HDFC Bank Limited obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited is secured by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Limited, ministry of finance, Govt of India) | Rate of interest is 7.50% as on 31 March 2022.<br>Total loan sanctioned amounting to ₹ 4.92 Crores having tenure of 4 year including moratorium 12 Months | 4.92 | - |
| USD term loan from IndusInd Bank obtained by the step down subsidiary company namely "Uno Minda Europe GmbH" (formerly known as Minda Delvis GmbH) is secured by:<br>Movable Fixed assets ~Exclusive charge on all movable fixed assets of "Uno Minda Europe GmbH" (formerly know as Minda Delvis GmbH), "Uno Minda System GmbH" (formerly known as Delvis Products GmbH) and "CREATE GmbH" (formerly known as Delvis Solutions GmbH) both present and future<br>Current Assets- Exclusive charge on all current assets of "Uno Minda Europe GmbH" (formerly know as Minda Delvis GmbH), "Uno Minda System GmbH" (formerly known as Delvis Products GmbH) and "CREATE GmbH" (formerly known as Delvis Solutions GmbH) both present and future<br>Collateral Security:- Pledge 7500 Shares of "Uno Minda Europe GmbH" (formerly known as Minda Delvis GmbH) held by its promoters and corporate guarantee by parent company | Term Loan-1 Total loan sanctioned amounting to Euro 16.50 Million (previous year Euro 19.08 Million) having tenure of 40 quarterly instillments and repayment in first two years -2.50% each year of drawn amount, Year 3- 5%, Year 4- 7.50% Year 5- 10% each year of drawn amount, Year 6~7- 12.50% Year 8~9- 15% and Year 10- 17.50% each year of drawn amount<br>Term Loan-2 Total loan sanctioned amounting to Euro 2.50 Million (previous year Euro NIL) having tenure of 28 quarterly instillments and repayment in first three years -10% each year of drawn amount, Year 4~5- 15% each year of drawn amount and Year 6~7- 20% each year of drawn amount<br>Rate of interest- Term loan 1- 3 months Libor+190bps<br>Rate of interest- Term loan 2- 3 months Libor+265bps | 135.92 | 130.73 |
| **Total** | | **496.73** | **665.12** |

(ii) **The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from others are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Term loan from Bajaj Finance Limited obtained by the Company is secured by exclusive charge on entire movable and immovable fixed asset located at plot no. 12 & 13 Sector 16, HSIDC Industrial estate, Bahadurgarh-124507, Haryana with minimum fixed asset coverage ratio of 1.2x. | Loan sanctioned amounting to ₹28 Crores, repayable in 22 quarterly instalments of ₹1.27 Crores starting from March 2020.<br>The Loan has been fully repaid during the year<br>Rate of interest : 7.80% p.a. (31 March 2021: 9% p.a.) | - | 9.66 |
| **Total** | | **-** | **9.66** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|---|
| (iii) | **The details of repayment terms and rate of interest provided in respect of unsecured term loans from banks are as below:** | | | |
| | Term Loan from Axis Bank ( Unsecured) obtained by parent company | Bullet Repayment after 1 years from date of respective drawdowns. Repo Rate + 0.75% (31 March 2021: Repo Rate + 0.75%) During the current year, the Company has repaid the loan outstanding at the beginning of the year and has availed additional loan of ₹ 30.00 Crores. | 12.00 | 12.00 |
| | Term Loan from La Caixa Bank (Unsecured) obtained by step down subsidiary of wholly owned subsidiary company namely "Global Mazinkert, S.L" and is covered by the corporate guarantee given from Clarton, Spain (step down subsidiary company) | Repayable in 20 equal quarterly instalments. Rate of Interest 1.65% (March 2021: 1.50%) | 1.55 | 16.91 |
| | Unsecured loan from Bankinter Bank obtained by step down subsidiary company namely "Light & Systems Technical Centre S.L., Spain" | Term loan for acquisition of fixed assets amounting to Euro 0.03 Crores repayable as per terms of the contract | 0.65 | 1.03 |
| | Unsecured loan from La Caixa Bank obtained by step down subsidiary of wholly owned subsidiary company namely "Global Mazinkert, S.L" and is covered by the corporate guarantee given from Clarton, Spain (step down subsidiary company). | Repayable in 12 equal quarterly instalments. Rate of Interest 4.86% | 4.76 | - |
| | Unsecured ICO Loan from LA Caixa Bank obtained by step down subsidiary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.25 Crores, payable in 48 monthly instalments Rate of interest - 1.50% p.a. | 16.44 | - |
| | Unsecured ICO Loan from LA Caixa Bank obtained by step down subsidiary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.06 Crores, payable in 3 Annual instalments Rate of interest - 1.30% p.a. | 4.52 | - |
| | ICO Loan from BSCH Bank by Clarton Horn, S.A. obtained by step down subsidiary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.06 Crores, payable on 3rd Feb'25 Rate of interest - 1.20% p.a. | 5.06 | - |
| | **Total** | | **44.98** | **29.94** |

(iv) **The details of repayment terms and rate of interest provided in respect of unsecured term loans from others are as below:**

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Unsecured Subsidised loan received from Ministry of Industry, Government of Spain obtained by step down sub diary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.05 Crores is repayable in 7 equal annual instalments from FY 2016-17. | 0.67 | 4.75 |
| Unsecured subsidised loan received from Ministry of Industry, Government of Spain obtained by step down sub diary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.06 Crores repayable in 10 equal annual instalments from FY 2017-18. | 1.84 | 3.74 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Nature of security | Terms of repayment and rate of interest | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Unsecured Subsidised loan received from Centre for Industrial Technology Development obtained by step down sub diary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Eur 0.08 Crores and 50% amount has been received during the year and balance amount will be received at the end of FY 2020-21 Rate of interest - 1.65% p.a. | 4.76 | 21.53 |
| Unsecured subsidised loan received from Centre for Industrial Technology Development obtained by step down sub diary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.01 Crores repayable in 2 equal annual instalments from FY 2021-22. Rate of Interest - 0.20%. | 0.58 | - |
| Unsecured subsidised loan received from Centre for Industrial Technology Development obtained by step down sub diary company namely by "Clarton Horn, S.A". | Total loan sanctioned amounting to Euro 0.02 Crores repayable in 5 equal Semi-annual instalments from FY 2021-22. Rate of Interest - 0.20%. | 1.53 | - |
| **Total** | | **9.38** | **30.02** |

(v) **The details and nature of securities provided in respect of secured working capital demand loans/cash credit from bank are as below:**

| Bank Name (facility)<br>Nature of security | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Citibank (Cash Credit) obtained by parent company is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as per detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, TalukaKhed, Distt. Pune. | - | 14.00 |
| State Bank of India (Cash Credit) obtained by parent company is secured by:<br>Primary Security: 1st pari passu charge on hypothecation charge on entire current assets comprising:<br>i) Stock of raw material, stores & spares, consumables, work in progress, finished goods etc. at its works, godowns, etc. (present and future) and including stock in transit and cash / credit balance in their loan accounts.<br>ii) All present and future Book Debts / Receivables as also clean or documentary bills, domestic or export, whether accepted or otherwise and the cheques / drafts / instruments etc. drawn in its favour.<br>Collateral Security: NIL | 0.82 | 10.70 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| **Bank Name (facility)**<br>**Nature of security** | **As at**<br>**31 March 2022** | **As at**<br>**31 March 2021** |
|---|---|---|
| Canara Bank (Cash Credit) obtained by parent company is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as per detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune | - | 6.25 |
| Standard Chartered Bank (Cash Credit) obtained by parent company is secured by:<br>First pari passu charge on current assets both present & future.<br>Negative lien on the following properties for working capital limits:<br>f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune | 36.73 | 12.00 |
| ICICI (Cash Credit) obtained by parent company is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. | 4.88 | - |
| Short term loan from HDFC Bank obtained by parent company<br>Includes obligation against bills discounted and remaining unpaid as at year end.<br>Factored receivables are secured by first charge on trade receivables. | 9.08 | 5.76 |
| HDFC Bank (Cash Credit) obtained by parent company is secured by:<br>First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future.<br>Second pari passu charge on property, plant and equipment of the Company as er detailed below:<br>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat<br>b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram<br>c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.<br>e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.<br>Negative lien on the following properties:<br>a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.<br>b) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka- Khed, Distt. Pune. | - | 33.26 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Bank Name (facility)<br>Nature of security | As at<br>31 March 2022 | As at<br>31 March 2021 |
|---|---|---|
| Citi Bank (working capital demand loan) obtained by subsidiary company namely "Minda Kyoraku Limited" amounting to ₹ 2.50 Crores (31 March 2021: ₹ Nil) is secured by:<br>- First pari passu charge on all the current assets of the borrower (both present and future) of subsidiary company<br>Rate of interest - 4.95% on loan outstanding as on 31 March 2022 (31 March 2021: ₹ Nil) | 2.50 | - |
| HDFC Bank Limited (Cash Credit) obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited is secured by exclusive hypothecation on stock in trade, book debts and receivables. plant and machinery, fixed deposits and movable assets (both present and future) of sub diary company<br>Rate of interest at 7.5% on 31 March 2022 (31 March 2021: 8.40%) and is repayable on demand. | 2.60 | 0.19 |
| HDFC Bank Limited (Cash Credit) obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited is secured by exclusive hypothecation on stock in trade, book debts and receivables. plant and machinery, fixed deposits and movable assets (both present and future) of sub diary company<br>Rate of interest at SOFR + 2.50% Spread as on 31 March 2022 (31 March 2021: LIBOR + 2.50% spread) and is repayable on demand. | 4.57 | 3.68 |
| HDFC Bank Limited (Short term loan on account of bills payable) obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited is secured by exclusive hypothecation on stock in trade, book debts and receivables. plant and machinery, fixed deposits and movable assets (both present and future) of subsidiary company. Rate of interest as at 31 March 2022: Nil (31 March 2021 8;45%) and is repayable on demand. | - | 4.40 |
| SMBC Bank- (Short Loan loan) obtained by subsidiary company namely "Minda Katolec Electronics Services Private Limited is secured by corporate guarantee from Katolec corporation, Japan Rate of interest at 6.25 % on 31 March 2022 and is repayable on demand. | 10.00 | - |
| HDFC Bank (Short Loan loan) obtained by subsidiary company namely "Mindarika Private Limited pertains to obligation against bills discounted and remaining unpaid as at year ended 31 March 2022. Factored receivables are secured by first charge on trade receivables. | 11.06 | 9.52 |
| Kotak Bank (Short term loan) obtained by subsidiary company namely "MI Torica India Private Limited" is secured by hypothecation of stock, trade receivables and exclusive charge on the entire movable and immovable property, plant and equipment both present and future of the subsidiary company | 17.00 | - |
| **Total** | **99.25** | **99.76** |

(vi) **The details of repayment terms and rate of interest in respect of unsecured working capital demand loans/cash credit accounts from banks are as below:**

| Bank Name (facility)<br>Nature of security | As at<br>31 March 2022 | As at<br>31 March 2021 |
|---|---|---|
| Working capital loan from Kotak Mahindra Bank obtained by parent company is repayable within 90 days | - | 9.50 |
| Commercial Paper from Kotak Mahindra Bank obtained by parent company. The same have been fully repaid during the current year | - | 50.00 |
| Packing Credit loan from HDFC Bank obtained by parent company. The same has been fully repaid during the current year | - | 12.40 |
| Kotak Bank (unsecured short term loan) obtained by subsidiary company namely "MI Torica India Private Limited" | - | 17.50 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Bank Name (facility)<br>Nature of security | As at<br>31 March 2022 | As at<br>31 March 2021 |
|---|---|---|
| Working capital loan from HDFC Bank Limited obtained by parent company is repayable within 15 days carried at the interest rate 4.30% p.a. | 60.00 | - |
| Short term loan from BBVA Bank obtained by step down sub diary of wholly owned sub diary company namely "Global Mazinkert, S.L" | 16.52 | 17.10 |
| Short term loan from La Caixa Bank obtained by step down sub diary of wholly owned sub diary company namely "Global Mazinkert, S.L" | 36.72 | 22.73 |
| Short term loan from Santander Bank to obtained by step down sub diary of wholly owned sub diary company namely "Global Mazinkert, S.L" | 6.77 | 6.46 |
| Working Capital loan from BBVA Bank obtained by subsidiary company namely "Uno Minda Europe GmbH" (formerly know as Minda Delvis GmbH). | 4.41 | 10.33 |
| **Total** | **124.42** | **146.02** |

(vii) **The details of repayment terms and rate of interest in respect of unsecured working capital demand loans from others are as below:**

| Bank Name (facility)<br>Nature of security | As at<br>31 March 2022 | As at<br>31 March 2021 |
|---|---|---|
| Working capital loan from Bajaj Finance Limited obtained by parent company is repayable within 60-180 days carried at the interest rate 5.75% p.a. | 41.00 | 68.00 |
| **Total** | **41.00** | **68.00** |

(viii) In pursuant to consideration payable on acquisition of Harita business in the previous year, the parent company has discharged the consideration payable in the current year by way of allotment of 3,969,737 equity shares having a face value of ₹ 2 each at the price of ₹ 320 per equity share (including security premium of ₹ 318 per equity share) and 18,884,662 fully paid up 0.01% non-convertible redeemable preference shares having a face value of ₹ 100 each at the price of ₹ 121.25 per non-convertible redeemable preference shares (including security premium of ₹ 21.25 per non-convertible redeemable preference shares) in accordance with the scheme. Subsequently the preference shareholders of 18,875,002 non-convertible redeemable preference shares have exercised the option to redeem their shares in the current year, accordingly these shares were redeemed at a redemption price of ₹ 112.50 per non-convertible redeemable preference shares in accordance with the scheme and accounted the resultant gain on settlement of purchase consideration payable in other income (refer note 19). Remaining 9660 0.01% non-convertible redeemable preference are compulsorily redeemable on the expiry of 36 months.

(ix) As on 31 March 2022, the parent company has outstanding 9,660 (31 March 2021: Nil) 0.01% non-convertible redeemable preference share, which are compulsorily redeemable on the expiry of 36 months from the date of allotment thereof with an option with to redeem them at the option of preference shareholder to redeem them any time after the expiry of 18 months, wherein the yield and the coupon shall be adjusted proportionately. Each 0.01% non-convertible redeemable preference share shall be redeemed at the issue price of ₹ 121.25 together with a yield of 7.5% p.a. on the issue price such that the redemption price, if redeemable preference shares are redeemed at the end of 36 months shall be ₹ 150.60 per share. The preference shares carry a dividend of 0.01% per annum. The dividend rights are non-cumulative. These shares are classified as compound financial instrument and liability component of the these shares has been disclosed under non-current borrowing.

(x) Term loan from bank and others contain certain debt covenants The group has satisfied all these debt covenants prescribed in the terms of these loans.

(xi) The Group has not made any default in the repayment of loans to banks and other financial institutions including interest thereon.

(xii) The term loans have been used for the purpose for which they were obtained and funds raised for a short term basis have not been used for long term purposes.

(xiii) In pursuant to borrowing taken by the group from banks on security of current assets, the group is required to submit the information periodically which includes the stock statement, book debts statement, revenue, trade receivable and trade payable etc. During the current year, in one of the submissions made, few of group companies have submitted the following financial information to banks, from whom working capital demand loan has been taken, on quarterly basis and information is not reconciled with books as follows:

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Quarter ending | Amount as per books of account | Amount as reported in the quarterly return / statement | Amount as reported in the quarterly return/ statement | Reason for material discrepancies |
|---|---|---|---|---|
| **Inventory** | | | | |
| Jun-30 | 495.27 | 468.58 | 26.69 | |
| Sep-30 | 538.54 | 473.22 | 65.32 | |
| Dec-31 | 567.16 | 560.72 | 6.44 | |
| Mar-31 | 609.35 | 603.19 | 6.16 | Difference in financial information submitted by the parent company is due to timing differences in reporting to bank and routine book closure period adjustments. |
| **Revenue** | | | | |
| Jun-30 | 885.50 | 894.19 | (8.69) | |
| Sep-30 | 2,185.26 | 2,297.17 | (111.91) | |
| Dec-31 | 3,518.96 | 3,646.46 | (127.50) | Difference in financial information submitted by the subsidiary company is due to following Inventory: Due to exclusion of tools & dies, Spares inventory and goods in transit inventory Trade receivable: Due to exclusion of goods in transit inventory |
| Mar-31 | 4,959.73 | 5,008.05 | (48.32) | |
| **Trade Payables** | | | | |
| Jun-30 | 611.69 | 398.02 | 213.67 | |
| Sep-30 | 908.84 | 731.12 | 177.72 | |
| Dec-31 | 930.78 | 741.10 | 189.68 | |
| Mar-31 | 1,024.50 | 846.39 | 178.11 | Trade payable: Due to exclusion of service vendor liability, expenses provision and goods in transit inventory |
| **Trade Receivables** | | | | |
| Jun-30 | 626.53 | 611.98 | 14.55 | |
| Sep-30 | 796.14 | 741.72 | 54.42 | |
| Dec-31 | 845.27 | 797.33 | 47.94 | |
| Mar-31 | 1,011.64 | 1,133.77 | (122.13) | |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(B)** | **Lease liabilities (valued at amortised cost)** | | | | |
| | Lease liabilities (refer note 4) | 111.01 | 90.55 | 16.90 | 20.16 |
| | | **111.01** | **90.55** | **16.90** | **20.16** |
| **(C)** | **Trade payables (valued at amortised cost)** | | | | |
| | Total outstanding dues of micro enterprises and small enterprises | - | - | 179.10 | 181.68 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - | 1,232.58 | 1,108.11 |
| | | **-** | **-** | **1,411.68** | **1,289.79** |

**Notes:**

(i) **Trade payables Ageing Schedule**

**As at 31 March 2022**

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date: less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| Undisputed dues of micro enterprises and small enterprises | - | 120.38 | 58.72 | - | - | - | 179.10 |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 169.88 | 609.97 | 436.58 | 12.94 | 2.00 | 1.21 | 1,232.58 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| **Total** | **169.88** | **730.35** | **495.30** | **12.94** | **2.00** | **1.21** | **1,411.68** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| As at 31 March 2021 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Particulars | Unbilled | Not due | Outstanding for following periods from the due date | | | | Total |
| | | | less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues of micro enterprises and small enterprises | - | 66.38 | 115.30 | - | - | - | 181.68 |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 95.96 | 362.33 | 635.36 | 11.84 | 0.37 | 2.25 | 1,108.11 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| **Total** | **95.96** | **428.71** | **750.66** | **11.84** | **0.37** | **2.25** | **1,289.79** |

(ii) The trade payables are unsecured and non interest-bearing and are usually on varying trade term.

(iii) Trade Payables include due to related parties ₹ 68.51 Crores (31 March 2021 : ₹ 53.26 Crores) {refer to note 32}

(iii) For terms and conditions with related parties. {refer to note 32}

(iv) The amounts falling in the category of more than 1 year are related to pending obligations on the part of the supplier as per agreed terms and conditions mentioned in respective contracts.

(v) Trade payable includes acceptance amounting to ₹ 21.64 Crores.

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **(D) Other financial liabilities** | | | | |
| **Financial liabilities measured at fair value through profit and loss** | | | | |
| Forward Contract Payable and others | - | - | 0.33 | 12.12 |
| **Financial liabilities measured at amortised cost** | | | | |
| Retention deposit payable | - | - | - | 1.42 |
| Interest accrued but not due on non-current borrowings | - | - | 4.38 | 4.58 |
| Payable for purchase consideration {refer note 13(A) (viii)} | - | - | - | 463.88 |
| Unpaid dividend {refer note (i)} | - | - | 0.72 | 0.74 |
| Capital creditors | | | - | |
| (a) total outstanding due of micro enterprises and small enterprises | - | - | 0.46 | - |
| (b) total outstanding dues of creditors other than micro and small enterprises | 0.67 | - | 72.48 | 31.29 |
| Trade/ security deposit received | 0.99 | - | 7.38 | - |
| Payable to employees | - | - | 62.69 | 43.01 |
| Payables on non-fulfilment of export obligations {refer note (ii)} | 31.69 | 16.24 | 28.85 | 3.85 |
| | **33.35** | **16.24** | **177.29** | **560.89** |

**Notes:**

(i) Unpaid dividend includes the amount payable by parent company to Investor Education and Protection Fund amounting to ₹ 0,02 Crores which has been paid on 23 May 2022. Apart from this, unpaid dividend account does not include any amount payable to Investor Education and Protection Fund.

(ii) Others includes the provision in respect of unfulfilled obligation of export under export promotion capital goods scheme

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 14 | **PROVISIONS** | | | | |
| | **Provision for employee benefits** | | | | |
| | Provision for Gratuity (refer note 30) | 68.97 | 61.34 | 5.18 | 3.40 |
| | Provision for Pension (refer note 30) | 4.01 | 4.01 | | - |
| | Provision for other defined benefit plan (refer note 30) | 5.93 | 5.12 | | |
| | Provision for leave encashment | 3.30 | 22.77 | 39.27 | 13.41 |
| | **Others** | | | | |
| | Provision for warranty {refer note (i) below} | 2.89 | 3.58 | 10.67 | 13.90 |
| | Others {refer note (ii) below} | - | 38.25 | 9.37 | 8.33 |
| | | **85.10** | **135.07** | **64.49** | **39.04** |

**Notes**

(i) The group has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and based on past experience. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about defective returns based on past trend for products sold and are consistent with those in the prior years. The assumptions made in relation to the current year are consistent with those in the prior year. The table below gives information about movement in warranty provisions

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Balance as at beginning of the year** | 17.48 | 17.46 |
| Add: Provision made during the year | 16.12 | 15.10 |
| Less: Utilised during the year | (20.04) | (15.08) |
| Balance as at the end of the year | **13.56** | **17.48** |
| | | |
| Non-current portion | 2.89 | 3.58 |
| Current portion | 10.67 | 13.90 |

(ii) Others includes the provision in respect of unfulfilled obligation of export under export promotion capital goods scheme which has crystallised during the year

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| 15 | **Income tax and deferred tax** | | |
| | The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are: | | |
| (a) | **Income tax expense in the statement of profit and loss comprises :** | | |
| | Current income tax charge | 161.09 | 98.29 |
| | Adjustment in respect of current income tax of previous year | (1.84) | - |
| | **Total current income tax** | **159.25** | **98.29** |
| | **Deferred Tax charge / (credit)** | | |
| | Relating to origination and reversal of temporary differences | (12.47) | 2.24 |
| | **Income tax expense reported in the statement of profit or loss** | **146.78** | **100.53** |
| (b) | **Other Comprehensive Income** | | |
| | **Tax expense related to items recognised in Other comprehensive income during the year:** | | |
| | Deferred tax on re-measurement loss on defined benefit plans | 0.19 | (1.26) |
| | Income tax on other item in other comprehensive income | 0.09 | - |
| | **Income tax related to items recognised in Other comprehensive income during the year** | **0.28** | **(1.26)** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :** | | |
| Accounting Profit before tax | 494.26 | 324.80 |
| Applicable tax rate | 34.94% | 34.94% |
| **Computed Tax Expense** | **172.71** | **113.50** |
| Tax impact of items not deductible in calculating the taxable income | 0.51 | 4.91 |
| Tax impact of income not taxable in calculating the taxable income | (4.50) | (9.94) |
| Difference in tax rate of taxable items | (0.87) | (0.60) |
| Change in tax rates | - | (8.77) |
| Tax Impact of difference of tax rate of group companies | (23.39) | (7.98) |
| Others | 2.32 | 9.41 |
| **Income tax charged to Statement of Profit and Loss at effective rate of 32.22% (31 March 2021: 30.26%)** | **146.78** | **100.53** |

**(d) Deferred tax liabilities /assets comprises :**

| | | Balance Sheet | |
|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 |
| **Deferred tax liabilities (net)** | | | |
| Property, plant and equipment and intangible assets | | 124.81 | 141.64 |
| Provision for warranty | | (1.51) | (2.08) |
| Expenses allowable on payment basis | | (36.85) | (29.47) |
| Provision for impairment of trade receivable and other assets | | (2.70) | (3.90) |
| Amortisation of expense under section 35D of Income tax act, 1961 | | (2.85) | (4.17) |
| Unabsorbed depreciation and carried forwarded tax losses | | (12.99) | (14.31) |
| Other Items giving rise to temporary differences | | (5.47) | (31.77) |
| | | **62.44** | **55.94** |
| Less: MAT credit entitlement | | - | (13.54) |
| | **(A)** | **62.44** | **42.40** |
| **Deferred tax assets (net)** | | | |
| Property, plant and equipment and intangible assets | | (4.38) | (7.14) |
| Expenses allowable on payment basis | | 17.17 | 11.23 |
| Provision for impairment of trade receivable and other assets | | 0.31 | 0.08 |
| Amortisation of expense under section 35D of Income tax act, 1961 | | 0.07 | 0.10 |
| Unabsorbed depreciation and carried forwarded tax losses | | 12.90 | 5.37 |
| Other Items giving rise to temporary differences | | 7.75 | 2.83 |
| | **(B)** | **33.82** | **12.47** |
| **Net Deferred tax liabilities** | **(A) - (B)** | **28.62** | **29.93** |

**(e) Net Deferred tax movement:**

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| Net deferred tax liabilities at the beginning of the year | | 29.93 | 41.02 |
| Deferred tax charged/(credited) to profit and loss account during the year | | (12.47) | 2.24 |
| Deferred tax charged/(credited) to other comprehensive income account during the year | | (0.19) | 1.26 |
| Derecognition of deferred tax assets pursuant to loss of control in subsidiary | | - | 1.58 |
| Utilisation of MAT credit entitlement | | 13.54 | - |
| Others | | (2.19) | (16.17) |
| **Net deferred tax liabilities at the end of the year** | | **28.62** | **29.93** |

**(f)** Effective tax rate has been calculated on profit before tax.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 16 CONTRACT BALANCES

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (A) | Trade Receivables {refer note (a) below and note 7(B)} | - | - | 1,376.65 | 1,198.82 |
| | | | | | |
| (B) | Contract Liability {refer note (b))} | - | - | 116.29 | 48.01 |

**Notes**

(a) Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

(b) The group has entered into the agreements with customers for sales of goods and services. The group has identified these performance obligations and recognised the same as contract liabilities in respect of contracts, where the group has obligation to deliver the goods and perform specified services to a customer for which the group has received consideration. Contract liabilities have increased in the current year on account of increase in advance from customer pursuant to increase in business.

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| 17A | CURRENT TAX LIABILITY | 27.57 | - |
| | Current tax liabilities (net of advance tax and tax deducted at source) | **27.57** | - |

| | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 17B | OTHER LIABILITIES | | | | |
| | Deferred government grant {refer note (i) below} | 58.11 | 73.33 | 14.27 | 0.86 |
| | Statutory dues payable | - | - | 70.30 | 59.52 |
| | Others | | | 2.26 | 2.50 |
| | | **58.11** | **73.33** | **86.83** | **62.88** |

**Notes:**

**(i) Movement of deferred government grant**

It represents the government grants relating to the purchase of property, plant and equipment are included in current liabilities as deferred income and are credited to profit or loss when the group has complied with the condition attached to the grant. The following table summaries the movement in deferred government grant:

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Opening balance** | 74.19 | 69.30 |
| Accrual of grant related to assets | 16.81 | 12.47 |
| Grant related to income realised | (18.62) | (7.58) |
| **Closing balance** | **72.38** | **74.19** |

| | | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|---|
| 18 | REVENUE FROM OPERATIONS | | | |
| | **Revenue from contract with customers** | | | |
| | Sale of products | | 7,992.22 | 6,065.74 |
| | Sale of services and tooling income | | 229.28 | 217.61 |
| | | **(A)** | **8,221.50** | **6,283.35** |
| | **Other operating revenues** | | | |
| | Other operating revenues | | 91.50 | 90.39 |
| | | **(B)** | **91.50** | **90.39** |
| | **Total revenue from operations** | **(A) + (B)** | **8,313.00** | **6,373.74** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| | **Notes:** | | |
| (i) | **Timing of revenue recognition** | | |
| | Goods transferred at a point in time | 7,992.22 | 6,065.74 |
| | Services transferred over the time | 229.28 | 217.61 |
| | **Total revenue from contract with customers** | **8,221.50** | **6,283.35** |
| | Add: Other operating revenues | 91.50 | 90.39 |
| | **Total revenue from operations** | **8,313.00** | **6,373.74** |
| | | | |
| (ii) | **Revenue by location of customers** | | |
| | Within India | 6,798.63 | 5,170.03 |
| | Outside India | 1,514.37 | 1,203.71 |
| | | **8,313.00** | **6,373.74** |
| (iii) | **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price** | | |
| | Revenue as per contracted price | 8,334.44 | 6,375.50 |
| | Cash/sales discount | (25.30) | (19.97) |
| | Other sales incentive schemes | (87.64) | (72.18) |
| | **Revenue from contract with customers** | **8,221.50** | **6,283.35** |
| | Add: Other operating revenues | 91.50 | 90.39 |
| | **Total revenue from operations** | **8,313.00** | **6,373.74** |

(iv) **Unsatisfied performance obligations:**

Information about the group's performance obligations are summarised below:

**Sale of products:** Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers.

**Sales of services**: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance of the customer.

The transaction price allocated to remaining performance obligation (unsatisfied performance obligation) pertaining to sales of services as at 31 March 2022 and expected time to recognise the same as revenue is as follows:

| | | |
|---|---|---|
| Within one year | 116.29 | 48.01 |
| More than one year | - | - |
| | **116.29** | **48.01** |

(v) Other includes the compensation settlement from customer etc.

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| **19** | **OTHER INCOME** | | |
| | Interest income on financial assets carried at amortised cost | | |
| | Deposit with banks | 2.98 | 5.85 |
| | Others | 0.25 | - |
| | Interest on income tax refund | 1.73 | - |
| | Gain on settlement of financial liability measured at amortised cost | 12.59 | - |
| | Gain on deemed disposal of investment in associate {refer note (37)} | 9.83 | - |
| | Fair value gain on financial assets/liabilities measured at fair value through profit and loss | 2.52 | 0.56 |
| | Rental income | 1.72 | - |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Other non-operating income** | | |
| Gain on sale of property, plant and equipment (net) | 8.26 | 2.50 |
| Exchange fluctuations (net) | - | 19.35 |
| Liabilities no longer required written back | 6.40 | 3.21 |
| Profit from sale of current investment | 2.95 | 4.30 |
| Income from insurance claim | 0.89 | 0.32 |
| Income under package scheme of Incentives | - | 0.41 |
| Miscellaneous income | 12.82 | 10.53 |
| | **62.94** | **47.03** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 20 | **COST OF RAW MATERIALS AND COMPONENTS CONSUMED** | | |
| | Raw materials and components at the beginning of the year | 358.16 | 281.09 |
| | Add: Addition pursuant to business combination during the year | 14.28 | |
| | Add: Purchases during the year | 4,519.22 | 3,539.38 |
| | Less: Transfer pursuant to loss of control in subsidiary company | - | (5.63) |
| | Less: Foreign currency translation adjustment | - | (0.25) |
| | Less: Raw materials and components at the end of the year | (543.77) | (358.16) |
| | | **4,347.89** | **3,456.43** |
| 21 | **PURCHASES OF TRADED GOODS** | 1,005.31 | 528.76 |
| | | **1,005.31** | **528.76** |
| 22 | **CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK IN PROGRESS** | | |
| | **Inventories at the end of the year:** | | |
| | Work-in-progress | 144.96 | 115.80 |
| | Finished goods | 149.28 | 108.57 |
| | Traded goods | 113.53 | 100.52 |
| | | **407.77** | **324.89** |
| | **Inventories at the beginning of the year:** | | |
| | Work-in-progress | 115.80 | 79.36 |
| | Finished goods | 108.57 | 93.72 |
| | Traded goods | 100.52 | 85.91 |
| | | **324.89** | **258.99** |
| | **Inventories acquired pursuant to business combination during the year** | | |
| | Work-in-progress | 1.26 | - |
| | Finished goods | 0.42 | - |
| | | **1.68** | **-** |
| | **Net (increase) / decrease in inventories** | **(81.20)** | **(65.90)** |
| 23 | **EMPLOYEE BENEFITS EXPENSE** | | |
| | Salaries, wages and bonus | 1,013.20 | 849.97 |
| | Contribution to provident and other funds | 85.54 | 65.53 |
| | Employees share based payment expense | 29.77 | 1.05 |
| | Net defined benefit plan expense (Gratuity, Pension and other defined benefit plan) (Refer note 30) | 18.02 | 16.43 |
| | Staff welfare expense | 59.98 | 48.71 |
| | | **1,206.51** | **981.69** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 24 | **FINANCE COSTS** | | |
| | Interest on borrowings | 36.26 | 61.25 |
| | Interest on debt portion of compound financial instrument | 4.88 | - |
| | Exchange differences regarded as an adjustment to borrowing costs; | 1.87 | 1.43 |
| | Interest expense on lease liabilities | 7.43 | 6.53 |
| | Other borrowing costs | 11.88 | 4.44 |
| | | **62.32** | **73.65** |
| 25 | **DEPRECIATION AND AMORTISATION EXPENSE** | | |
| | Depreciation on property, plant and equipment (refer note 3) | 319.48 | 295.32 |
| | Amortisation on intangible assets (refer note 5) | 51.05 | 55.16 |
| | Depreciation on right-of-use assets (refer note 4) | 21.22 | 24.82 |
| | | **391.75** | **375.30** |

| | | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|---|
| 26 | **OTHER EXPENSES** | | |
| | Power and fuel | 208.97 | 149.85 |
| | Consumption of stores and spare parts | 146.82 | 108.79 |
| | Job work charges | 85.00 | 55.92 |
| | Rent (Refer note 4) | 28.52 | 21.14 |
| | Repairs and maintenance: | | |
| | Buildings | 15.80 | 13.64 |
| | Plant and machinery | 29.80 | 39.30 |
| | Others | 27.04 | 14.37 |
| | Rates and taxes | 6.46 | 4.56 |
| | Travelling and conveyance expense | 62.89 | 38.28 |
| | Legal and professional charges {refer note (i) below} | 40.92 | 27.73 |
| | Insurance expense | 13.22 | 11.86 |
| | Director's sitting fee | 0.51 | 0.57 |
| | Advertisement and sales promotion expense | 14.30 | 12.92 |
| | Printing and stationery expense | 3.62 | 3.96 |
| | Impairment allowance for trade receivable - credit impaired | 3.19 | 4.73 |
| | Bad trade written off | 0.26 | - |
| | Contribution towards corporate social responsibility expense (CSR) | 6.91 | 7.43 |
| | Warranty expense (refer note 14) | 16.12 | 15.10 |
| | Royalty expenses | 17.56 | 18.24 |
| | Freight and other distribution expense | 126.97 | 117.72 |
| | Property, plant and equipment scrapped/ written off | - | 2.50 |
| | Exchange fluctuations (net) | 6.60 | 5.00 |
| | Research and development expenses | 21.13 | 4.03 |
| | Annual maintenance charges | 9.04 | 5.91 |
| | Miscellaneous expenses | 57.44 | 64.22 |
| | | **949.10** | **747.77** |

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Note:**

(i) **Details of payments to auditors**

| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| **As auditor:** | | |
| Audit fee | 1.30 | 2.27 |
| Limited review fee | 0.30 | 0.68 |
| **In other capacities:** | | |
| Certification fee and others | 0.04 | 0.64 |
| Reimbursement of expenses | 0.16 | 0.18 |
| **Total (included in legal and professional charges)** | **1.80** | **3.77** |
| **Others *** | | |
| Other services (included in legal and professional charges) | 0.85 | 0.85 |
| Other services (included in share issue expenses under other equity) | - | - |
| Certification fee and others | 0.14 | - |
| Reimbursement of expenses | - | 0.03 |
| **Total** | **0.99** | **0.88** |

* It represents the payment made to erstwhile statutory auditor who retired out during the year as per the provision of Companies Act, 2013.

## 27 COMMITMENTS AND CONTINGENCIES

### (A) Contingent liabilities (to the extent not provided for)

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (a) | Claims made against the Group not acknowledged as debts (including interest, wherever applicable) | 3.09 | 1.76 |
| (b) | Disputed tax liabilities in respect of pending litigations before appellate authorities | 87.99 | 35.78 |

**Notes:**

(i) Claims / suits filed against the Group not acknowledged as debts which represents various legal cases filed against the Group. The Group has disclaimed the liability and defending the action. The Group has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

(ii) The various disputed tax litigations are as under:

| **Particulars** | Disputed amount as at 31 March 2022 | Disputed amount as at 31 March 2021 |
|---|---|---|
| **Income tax matters**<br>(Disallowances and additions made by the income tax department) | 8.34 | 13.72 |
| **Excise / Custom / Service tax matters / Sales tax / VAT / Goods and service tax mattes**<br>(Demands raised by the excise / custom / service tax / Sales tax / VAT / Goods and service tax matters) | 79.65 | 22.06 |
| **Total** | **87.99** | **35.78** |

**Note:** The Group has ongoing disputes with various judicial forums relating to tax treatment of certain items in respect of income tax, excise, sales tax, VAT, service tax and GST. The Group is contesting these demands and the management believes that our postition will likely to be upheld in the appellate process and accordingly no provision has been accrued in the financial statements to these demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(c) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 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. Subsequently, a review petition against this decision is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the consolidated financial statements.

(d) One of the subsidiary of the group namely "Minda Storage Batteries Private Limited" has provided two Bank Guarantees amounting to ₹ 0.22 Crores to M/s Indian Oil Adani Gas Private Limited for supply of natural gas. The claim expiry date is 20 April 2025 and 04 January 2025. The subsidairy company is of the view no provision is necessary with respect to the guarantee provided.

(e) Parent company and one of the subsidiary of the group namely "Minda Katolec Electronics Services Private Limited" has availed MSIP Incentive from the Ministry of Electronics amounting to ₹ 13.05 Crores (31 March 2021 : ₹ 6.01 Crores ). In accordance with the MSIP guidelines, the amount may be refundable to the Government if the specified conditions are not fulfilled within the prescribed time.

(f) Liability of customs duty towards export obligation undertaken by the Group under "Export Promotion Capital Goods Scheme (EPCG)" amounting to ₹ 59.33 Crores (₹ 68.18 Crores as on 31 March 2021). As per the EPCG terms and conditions, Group needs to export the goods worth ₹ 355.98 Crores (₹ 409.08 Crores as on 31 March 2021) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. The Group expects to complete the obligation within specified timeline. The Group has accounted these grants in accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance" and if the Group does not export goods in prescribed time, then the Group may be liable to pay interest and penalty thereon.

**(B) Capital and other commitments (net of advance)**

| | | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (a) | Estimated amount of contracts remaining to be executed on account of capital and other commitments (net of advance) and not provided for | 99.86 | 74.76 |
| (b) | Estimated amount of investment to be made as per government incentive scheme | 167.89 | 199.34 |

(c) During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the group amounting to ₹ 0.39 Crores towards revised CLU (change of land use) charges for the land situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, and Haryana (Manesar land). The Parent Company paid ₹0.02 Crores and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further, the Parent Company had deposited ₹0.09 Crores as under protest with the authorities. During the previous years, the Parent Company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the Parent Company had withdrawn the petition and accordingly had asked Town and Country Planning, Chandigarh to review and waive of the liability of remaining balance of ₹0.28 Crores and the interest thereon amounting to ₹0.50 Crores (previous year ₹0.47 Crores) towards revised CLU charges after adjusting the amount of ₹0.11 Crores paid earlier.

The Parent Company had applied for grant of license under 'Affordable Housing Policy- 2013' on the land measuring 5 acres in Manesar land and paid scrutiny fee (non-refundable) amounting to ₹0.03 Crores in this respect, which was received during the earlier year. The Parent Company had paid ₹0.43 Crores towards CLU charges during the previous year. The Parent Company had further applied for grant of similar license on additional land measuring 5 acres in Manesar land.

During the previous year, the Parent Company had applied for migration of license received under 'Affordable Housing Policy- 2013' admeasuring 5 acres to "Deen Dayal Awas Yojna Scheme" of the Government and withdrawn other pending applications. Further, the Parent Company had applied for Manesar land admeasuring 10 acres (including share of a subsidiary "Mindarika Private Limited") under "Deen Dayal Awas Yojna Scheme" and paid application money of ₹ 0.92 Crores.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

During the previous year, the Parent Company had considered the option of re-locating the manufacturing units from Sector 81, Gurgaon to Bawal, Dharuhera, IMT Manesar, Farrukhnagar. The Parent Company considered factors such as price, distance and convenience of employees and other stake holders' and was of the view that shifting to Farrukhnagar would be a suitable option. In this respect, the Parent Company had taken on lease land admeasuring 14.37 acres in Farrukhnagar, Haryana (which is close to existing Manesar plant) and took land on lease for 99 years at a lump-sum rent of ₹ 0.05 Crores for entire tenure. The Parent Company has received CLU (change of land use from agricultural to industrial) for Farrukhnagar land on March 17, 2022. As the CLU is received in March 2022, the Parent Company will cancel the lease and purchase the land at fair market price as determined by registered valuer.

(d) Manesar plant of the one of the subsidiary company namely "Mindarika Private Limited" is situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, Haryana measuring of 6.25 acres of land which is notified under the residential zone by the authorities in the earlier period. The subsidiary company is yet to receive any notice from Town and Country Planning, to vacate this land and also, received factory license till 31 December 2026. The subsidiary company has filed application along with the parent company for grant of license under Affordable Group Housing (AGH) scheme for part of a land located in Manesar Plant area for which approval had also been received. Subsequently, the subsidiary company and the parent Company applied for its entire Manesar Plant area under new scheme namely Deen Dayal Jan Awas Yojna (DDJAY) including migration of license received under Affordable Group Housing scheme. The subsidiary company has also entered into a collaboration agreement with its parent company for execution of this group housing project in the previous year.

The subsidiary company had entered into lease agreement with Shreeaumji Real Estate SEZ Private Limited, Spectrum Techno Construction Private Limited and Shreeaumji Habitation Private Limited for an agricultural land in Farrukhnagar, Haryana ('the land'), with an intention to obtain Change of land use (CLU) to convert this into industrial land and to purchase this land once the CLU permission is granted. During the current year, subsidiary company has received CLU for the land subject to fulfillment of certain terms and conditions including obtaining occupation certificate after completing the building within two years of issuance of this permission and compliance of conditions of NOC from forests department.

### (C) Undrawn committed borrowing facility

During the year, the group has availed fund unsecured working capital limit amounting to ₹ 422.00 Crores from different banks out of which ₹ 269.49 Crores remains undrawn as at 31 March 2022.

## 28 SEGMENT INFORMATION

The group deals in only one business segment of manufacturing and sale of auto ancillary equipments and the chief operating decision maker (CODM) reviews the operations of the Group as a whole, hence there is no reportable segments as per Ind AS 108 "Operating Segments". The management considers that the various goods and services provided by the Group constitutes single business segment, since the risk and rewards from these services are not different from one another. However the Group has disclosed the following entity wide disclousre as follows:

| Particulars | Within India | Outside India | Total |
|---|---|---|---|
| **Revenue from operation by location of customers** | | | |
| Year Ended 31 March 2022 | 6,798.63 | 1,514.37 | 8,313.00 |
| Year Ended 31 March 2021 | 5,170.03 | 1,203.71 | 6,373.74 |
| | | | |
| **Total assets by geographical location** | | | |
| Year Ended 31 March 2022 | 5,903.09 | 928.60 | 6,831.69 |
| Year Ended 31 March 2021 | 5,200.22 | 789.68 | 5,989.90 |
| | | | |
| **Non-current operating assets by geographical location** | | | |
| Year Ended 31 March 2022 | 2,896.75 | 293.14 | 3,189.89 |
| Year Ended 31 March 2021 | 2,674.77 | 295.57 | 2,970.34 |
| | | | |
| **Capital expenditure - Property plant and equipments by geographical location** | | | |
| Year Ended 31 March 2022 | 517.80 | 22.48 | 540.28 |
| Year Ended 31 March 2021 | 257.82 | 14.92 | 272.74 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Within India | Outside India | Total |
|---|---|---|---|
| **Capital expenditure - Intangible assets by geographical location** | | | |
| Year Ended 31 March 2022 | 30.88 | 1.29 | 32.17 |
| Year Ended 31 March 2021 | 35.09 | 2.76 | 37.85 |

**Notes:**

(i) Capital expenditure consists of additions of property, plant and equipment, Capital work in progress and intangible assets net of capitalisation from previous year.

(ii) There are no customers having revenue exceeding 10% of total revenue of the Group

(iii) Non-current operation assets includes property, plant and equipment, right of use assets, capital work in progress, goodwill, other intangible assets, intangible assets under development and other non-current assets

## 29 EARNINGS PER SHARE (EPS)

| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| **Basic Earnings per share** | | |
| Profit after taxation attributable to equity holders of the parent | 355.80 | 206.63 |
| Weighted average number of equity shares outstanding during the year | 28,13,83,398 | 26,73,78,821 |
| **Basis earnings per share (one equity share of ₹ 2/- each)** | **12.64** | **7.73** |
| | | |
| **Diluted Earnings per share** | | |
| Profit after taxation | 355.80 | 206.63 |
| Weighted average number of equity shares for basic earning per share | 28,13,83,398 | 26,73,78,821 |
| | | |
| Effect of dilution | 11,29,887 | 1,13,08,395 |
| | | |
| Weighted average number of equity shares outstanding during the year adjusted for the effect of dilution | 28,25,13,285 | 27,86,87,216 |
| **Diluted earnings per share (one equity share of ₹ 2/- each)** | **12.59** | **7.41** |

## 30 GRATUITY AND OTHER POST RETIREMENT BENEFIT PLANS

Disclosures pursuant to Ind AS - 19 “Employee Benefits” (notified under the section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rule, 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

### (A) Defined benefit plan

**The Group operates following defined benefit obligations:**

**(a) Gratuity defined benifit plan by the parent Company and other group companies in India:** The employees’ Gratuity Fund Scheme, which is a defined benefit 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. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**(b) Pension definied benefit plan:** The group operates a defined benefit pension plan for its eligible employees which entitles the eligible employees certain benefit in form of guaranteeed pension payable for life.

**(c) Other defined benefit plan:** The group operates a other defined benefit plan in other jurisdicition of the group companies for its eligible employees which entitles the eligible employees certain benefit in form of guaranteed pension payable for life.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plan:-

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(i) Net defined benefit asset/ (liability) recognised in the balance sheet**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Present value of defined benefit obligation | 4.01 | 4.01 | 96.45 | 84.51 | 5.93 | 5.12 |
| Fair value of plan assets | - | - | (22.30) | (19.77) | - | - |
| **Net asset/(liability) recognised in consolidated balance sheet** | **4.01** | **4.01** | **74.15** | **64.74** | **5.93** | **5.12** |
| | | | | | | |
| Non-current portion term (refer note 14) | 4.01 | 4.01 | 68.97 | 61.34 | 5.93 | 5.12 |
| Current portion (refer note 14) | - | - | 5.18 | 3.40 | - | - |

**(ii) Net defined benefit expense (recognised in the statement of profit and loss for the year)**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Current service cost | - | - | 14.11 | 10.40 | (0.49) | 0.68 |
| Interest cost (net) | - | 0.30 | 4.00 | 4.74 | 0.40 | 0.31 |
| **Net defined benefit expense debited to statement of profit and loss** | **-** | **0.30** | **18.11** | **15.14** | **(0.09)** | **0.99** |

**(iii) The reconciliation of opening and closing balances of the present value of the defined benefit obligation are as below-**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Present value of obligation as at the beginning of the year | 4.01 | 4.03 | 84.51 | 80.35 | 5.12 | 3.85 |
| Addition persuant to acquisition of subsidiary | - | - | 1.49 | - | - | - |
| Current service cost | - | - | 14.11 | 10.40 | (0.49) | 0.68 |
| Interest cost | - | 0.30 | 5.47 | 5.50 | 0.40 | 0.31 |
| Re-measurement of (Gain)/loss recognised in other comprehensive income arising from: | | | | | | |
| Actuarial changes arising from changes in demographic assumptions | - | - | 0.05 | (0.17) | - | - |
| Actuarial changes arising from changes in financial assumptions | - | (0.17) | (3.42) | 0.85 | 0.63 | 0.09 |
| Actuarial changes arising from changes in experience adjustments | - | (0.16) | 2.76 | (4.21) | - | - |
| Benefits paid | - | - | (8.52) | (6.29) | (0.47) | (0.16) |
| Foreign exchange transaction impact | - | - | - | - | 0.74 | 0.35 |
| Transfer in/(out) liability | - | - | - | (1.92) | - | - |
| **Closing defined benefit obligation** | **4.01** | **4.01** | **96.45** | **84.51** | **5.93** | **5.12** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(iv) Reconciliation of opening and closing balances of fair value of plan assets:**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Fair value of plan assets at the beginning of the year | - | - | 19.77 | 18.12 | - | - |
| Expected return on plan assets | - | - | 1.47 | 0.76 | - | - |
| Employer contribution | - | - | 0.65 | 0.98 | - | - |
| Actuarial gain/loss for the year | - | - | 0.13 | - | - | - |
| Benefits paid | - | - | (0.56) | (0.55) | - | - |
| Others | | | 0.84 | 0.46 | - | - |
| **Fair value of plan assets at the end of the year** | **-** | **-** | **22.30** | **19.77** | **-** | **-** |

**(v) Re-measurements Gain/ (loss) recognised in other comprehensive income (OCI):**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Re-measurement of (Gain)/loss recognised in other comprehensive income arising from: | | | | | | |
| Actuarial changes arising from changes in demographic assumptions | - | - | 0.05 | (0.17) | - | - |
| Actuarial changes arising from changes in financial assumptions | - | (0.17) | (3.42) | 0.85 | 0.63 | 0.09 |
| Actuarial changes arising from changes in experience adjustments | - | (0.16) | 2.76 | (4.21) | - | - |
| Return on plan assets, excluding amount recognised in net interest expense | - | - | (0.13) | - | - | - |
| **Recognised in other comprehensive income** | **-** | **(0.33)** | **(0.74)** | **(3.53)** | **0.63** | **0.09** |

**(vi) Principal actuarial used in recognition of Defined benefit obligation are as follows:**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Discount rate | 7.00% | 5.91% | 7.00% -7.2% | 6.80% -6.94% | 7.25%- 7.26% | 7.54% |
| Future salary increase | 5.50% | 5.50% | 6.00% - 8.00% | 5.50% - 8.00% | 9.00%- 10.00% | 9.00% |
| Expected return on plan assets | - | - | 8.00% | 8.00% | - | - |
| Retirement age (in years) | 58 | 58 | 58 | 58 | 55 | 55 |

**Mortality rate**

| Particulars | 100% of IALM (2012-14) | 100% of IALM (2006-08) | 100% of IALM (2012-14) | 100% of IALM (2012-14) | TMI-2011 | TMI-2011 |
|---|---|---|---|---|---|---|
| Attrition rates based on age (per annum): | | | | | | |
| Up to 30 years | 3% | 3% | 3%-12% | 3%-12% | 3% | 3% |
| From 31 to 44 years | 2% | 2% | 2%-10% | 2%-10% | 2% | 2% |
| Above 44 years | 1% | 1% | 1%-3% | 1%-3% | 1% | 1% |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(vii) Quantitative sensitivity analysis for significant assumptions is as shown below:**

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| 1% increase in discount rate | (0.47) | (0.53) | (38.85) | (71.67) | (0.06) | (0.05) |
| 1% decrease in discount rate | 0.56 | 0.73 | 46.83 | 90.55 | 0.07 | 0.06 |
| 1% increase in salary escalation rate | 0.93 | 0.67 | 45.34 | 89.35 | 0.07 | 0.06 |
| 1% decrease in salary escalation rate | (0.40) | (0.62) | (38.38) | (72.39) | (0.06) | (0.05) |
| 50% increase in attrition rate | (0.66) | (0.59) | (34.03) | (79.31) | (0.08) | (0.06) |
| 50% decrease in attrition rate | 0.66 | 0.61 | 34.68 | 81.37 | 0.08 | (0.06) |
| 10% increase in mortality rate | (0.03) | (0.60) | (34.04) | (80.22) | (0.12) | (0.10) |
| 10% decrease in mortality rate | 0.02 | 0.60 | 34.05 | 80.23 | 0.12 | 0.10 |

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

| Particulars | Pension Benefits | | Gratuity Benefits | | Other Defined Benefits | |
|---|---|---|---|---|---|---|
| | Year ended 31 March 2022 | Year ended 31 March 2021 | Year ended 31 March 2022 | Year ended 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Within 1 year | 0.02 | 0.27 | 6.31 | 4.60 | 0.39 | 0.28 |
| 2 to 5 years | 0.52 | 0.97 | 21.95 | 17.60 | 1.35 | 1.07 |
| 6 to 10 years | 2.22 | 1.94 | 37.53 | 30.88 | 2.31 | 1.87 |
| More than 10 years | 8.87 | 11.20 | 222.37 | 166.87 | 13.67 | 10.11 |

**(ix)** 100% of plan assets of Gratuity defined benefit plan of parent company and two subsidiaries namely "Mindarika Private Limited" and "Harita Fahrer Limited" are managed by insurer "Life Insurance Corpoartion of India as at 31 March 2022 and 31 March 2021. Other defined benift plan operated by the group are unfunded.

**(x)** Groups's best estimate of contribution during the next year is ₹ 89.94 Crores (31 March 2021: ₹ 77.62 Crores)

**(xi)** Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

**(xii)** The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period while holding all other assumptions constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

**(xiii)** The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

**(xiv)** The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### (B) Defined contribution plan

Following are the contribution to Defined Contribution Plan, recognised as expense for the year:

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Contribution to provident and other funds | 85.54 | 65.53 |
| **Total** | **85.54** | **65.53** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

## 31 SHARE BASED PAYMENTS

**UNO Minda Employee Stock Option Scheme – 2019**

The shareholders of the parent company had approved the UNO Minda Employee Stock Option Scheme – 2019 (herein referred as UNOMINDA ESOS-2019) through postal ballot resolution dated 25 March 2019. The employee stock option scheme is designed to provide incentives to eligible employees of the group.

This scheme provided for conditional grant of stock options at nominal value to eligible employees of the group as determined by the Nomination and Remuneration Committee from time to time. The vesting conditions under this scheme include the parent company achieving the target market capitalisation. The maximum number of equity shares to be granted under the scheme shall not exceed 7,866,500 options. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors of 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.

During the year, the nomination and remuneration committee vide its resolution dated 19 July 2021 has modified the vesting condition for achieving target of market capitalisation (closing price) from 27,000 Crores to 24,000 Crores on any day till 31 May 2022. Accordingly the company has accounted the said modification in accordance with Ind AS 102 "Share based payments".

**Set out below is the summary of options granted under the plan:**

| Particulars | Average exercise price per share | No. of option as at 31 March 2022 | Average exercise price per share | No. of option as at 31 March 2021 |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 325 | 10,75,312 | 325 | 10,12,259 |
| Granted during the year | 325 | 1,62,340 | 325 | 88,325 |
| Forfeited/ Expired during the year | 325 | (1,83,246) | 325 | (25,272) |
| Exercised during the year | 325 | - | 325 | - |
| **Outstanding at the end of the year** | **325** | **10,54,406** | **325** | **10,75,312** |

No options were exercised during the year ended 31 March 2022 and 31 March 2021

**Share options outstanding at the end of the current year and previous year have the following expiry date and exercise prices:**

| Date of Grant | Date of expiry | Exercise Price | Share option as at 31 March 2022 | Share option as at 31 March 2021 |
|---|---|---|---|---|
| 16 May 2019 | 2 years from the date of vesting | 325 | 8,49,156 | 9,86,987 |
| 28 January 2021 | 2 years from the date of vesting | 325 | 46,491 | 88,325 |
| 13 June 2021 | 2 years from the date of vesting | 325 | 1,58,759 | - |
| **Total** | | | **10,54,406** | **10,75,312** |

**Fair valuation**

The fair value at grant date of options granted during the year ended 31 March 2022 was ₹ 390.30 per option (31 March 2021 – ₹ 41.31). The fair value at grant date is independently determined using the Monte Carlo Simulation using Geometric Brownian Motion (GBM) which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

**The model inputs for options granted during the year includes the following:**

(a) Options are granted for no consideration and vested options are exercisable for a period of two years after vesting

(b) Exercise Price: ₹ 325 (31 March 2021 - ₹ 325)

(c) Grant date: 13 June 2021 (31 March 2021 – 28 January 2021)

(d) Expiry date: 2 years from the date of vesting (31 March 2021 – 2 years from the date of vesting )

(e) Share price at grant date: ₹ 612.95 (31 March 2021 – ₹ 318.00)

(f) Expected price volatility of the parent company's shares: 44.70% (31 March 2021 – 41%)

(g) Expected dividend yield: 0.32% (31 March 2021 – 0.63%)

(h) Risk-free interest rate: 5.19% (31 March 2021– 7.13%)

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 32 RELATED PARTY DISCLOSURES

The related parties as per the terms of Ind AS-24,"Related Party Disclosures", {under the section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)}, as disclosed below:

**(A) Names of related parties and description of relationship:**

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

| Entity Name | Relationship |
|---|---|
| Minda NexGenTech Limited | Associate |
| Kosei Minda Aluminium Company Private Limited | Associate |
| Strongsun Renewables Private Limited | Associate (w.e.f. 6 April 2021) |
| CSE Dakshina Solar Private Limited | Associate (w.e.f. 31 May 2021) |
| **Partnership firms** | **Relationship** |
| Auto Component | Associate (upto 31 December 2021) |
| Yogendra Engineering | Associate |
| **Entity Name** | **Relationship** |
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | Joint venture |
| Roki Minda Co. Private Limited | Joint venture |
| Rinder Riduco, S.A.S. Columbia | Joint venture (Stepdown Joint Venture of Global Mazinkert) |
| Minda TTE Daps Private Limited | Joint venture |
| Minda Onkyo India Private Limited | Joint venture |
| Minda D-Ten India Private Limited | Joint venture |
| Denso Ten Minda India Private Limited | Joint venture |
| Toyoda Gosei Minda India Private Limited | Joint venture |
| Kosei Minda Mould Private Limited | Joint venture |
| Minda TG Rubber Private Limited | Joint venture (w.e.f. March 15, 2021) |
| Tokai Rika Minda India Private Limited | Joint venture (w.e.f. March 24, 2021) |

(ii) **Key management personnel**

| Name | Relationship |
|---|---|
| Mr. Nirmal K. Minda | Chairman and Managing Director ('CMD') |
| Mr. Ravi Mehra | Whole-time director (w.e.f 1 April 2021) |
| Mrs. Paridhi Minda | Whole-time director |
| Mr. Anand K. Minda | Director |
| Mr. Satish Sekhri | Independent Director |
| Mr. Chandan Chowdhury | Independent Director (upto 6 August 2021) |
| Mr. Krishan Kumar Jalan | Independent Director |
| Ms. Pravin Tripathi | Independent Director |
| Mr. Rakesh Batra | Independent Director (w.e.f 19 July 2021) |
| Mr. Sunil Bohra | Chief Financial Officer (CFO) |
| Mr. Tarun Kumar Srivastava | Company Secretary |
| **Relatives of key management personnel** | **Relationship** |
| Mrs. Suman Minda | Spouse of CMD |
| Mrs. Paridhi Minda | Director of MIL and daughter of CMD |
| Mrs. Pallak Minda | Daughter of CMD |
| Mr. Vivek Jindal | Son-in-law of CMD |
| Mr. Saurabh Jindal | Son-in-law of CMD |
| Mr. Amit Minda | Son of KMP |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(iii) **Other entities over which key management personnel and their relatives are able to exercise significant influence**

| Entity Name | Relationship |
|---|---|
| Minda Investments Limited | Entities over which key management personnel and their relatives are able to exercise significant influence |
| Minda Infrastructure LLP | |
| Singhal Fincap Limited | |
| Shankar Moulding Limited | |
| Minda Nabtesco Automotive Private Limited | |
| Minda I Connect Private Limited | |
| Minda Projects Limited | |
| S.N. Castings Limited | |
| Minda Spectrum Advisory Limited | |
| Paripal Advisory LLP | |
| Toyoda Gosei South India Private Limited | |
| Suman Nirmal Minda Charitable Trust | |

| Partnership firm | Relationship |
|---|---|
| Samaira Engineering | Enterprises over which key management personnel and their relatives are able to exercise significant influence (upto 31 December 2021) |
| S.M. Auto Industries | |

## (B) Transactions with related parties

| Particulars | Associates (including partnership firms where Company has significant influence) | | Joint venture companies | | Entities over which key management personnel and their relatives are able to exercise significant influence | | Key management personnel and relatives | |
|---|---|---|---|---|---|---|---|---|
| | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 |
| Sale of goods | 1.08 | 0.92 | 146.21 | 59.28 | 43.94 | 22.25 | - | - |
| Purchase of goods | 72.61 | 83.17 | 134.80 | 15.89 | 238.21 | 206.80 | - | - |
| Sale of property, plant and equipment | - | - | - | - | - | 0.07 | - | - |
| Purchase of property, plant and equipment | - | - | 9.02 | 6.04 | 15.11 | 20.76 | - | - |
| Services received | 0.56 | 0.69 | 0.20 | 0.20 | 24.46 | 25.44 | 1.74 | 2.15 |
| Services rendered | 0.03 | 0.12 | 16.41 | 15.78 | 1.80 | 0.69 | - | - |
| Remuneration | - | - | - | - | - | - | 23.92 | 11.19 |
| Sitting Fees | - | - | - | - | - | - | 0.44 | 0.30 |
| Dividend income | - | - | 13.18 | 2.56 | - | - | - | - |
| Interest paid | - | - | - | 0.15 | - | 0.10 | - | - |
| Unsecured loan given/repayment | - | - | - | 0.30 | - | 5.00 | - | - |
| Unsecured loan received | - | - | - | 0.60 | - | - | - | - |
| Share in profit from Partnership firms | 3.01 | 4.01 | - | - | - | - | - | - |
| Drawing from Partnership firm | - | - | - | - | - | - | 10.95 | - |
| Royalty income | 1.17 | 1.06 | - | - | 0.73 | 0.84 | - | - |
| Investment made | 4.43 | 3.70 | 6.98 | 89.89 | - | 22.59 | - | - |
| Corporate Social Responsibility (CSR) Expense | - | - | - | - | 4.29 | 3.66 | - | - |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### (C) Balances with related parties at the year end

| Particulars | Associates (including partnership firms where Company has significant influence) | | Joint venture companies | | Entities over which key management personnel and their relatives are able to exercise significant influence | | Key management personnel and relatives | |
|---|---|---|---|---|---|---|---|---|
| | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 |
| Receivables | - | - | 31.57 | 13.33 | 10.17 | 17.06 | - | - |
| Payables | - | 11.96 | 38.12 | 2.76 | 23.05 | 30.39 | 7.35 | 4.50 |
| Guarantee / Letter of comfort | - | - | - | - | - | - | - | - |

### (D) Material transactions with related parties

**(i) Material transactions with related parties for the year ended 31 March 2022**

| Particulars | Amount |
|---|---|
| **Sale of goods** | |
| Tokai Rika Minda India Private Limited | 63.05 |
| Toyoda Gosei Minda India Private Limited | 67.90 |
| Minda I Connect Private Limited | 26.36 |
| | **157.31** |
| **Purchase of goods** | |
| S.N. Castings Limited | 28.41 |
| Shankar Moulding Limited | 43.19 |
| Tokai Rika Minda India Private Limited | 88.78 |
| Samaira Engineering | 126.19 |
| Auto Component | 72.61 |
| | **359.18** |
| **Purchase of property, plant and equipment** | |
| Minda Infrastructure LLP | 15.11 |
| Kosei Minda Mould Private Limited | 9.02 |
| | **24.13** |
| **Services received** | |
| Minda Projects Limited | 2.11 |
| Minda Investments Limited | 13.57 |
| Paripal Advisory LLP | 6.04 |
| | **21.72** |
| **Services rendered** | |
| Minda Westport Technologies Limited | 1.52 |
| Roki Minda Co. Private Limited | 5.28 |
| Minda D-Ten India Private Limited | 1.78 |
| Denso Ten Minda India Private Limited | 1.46 |
| Toyoda Gosei Minda India Private Limited | 3.69 |
| Minda I Connect Private Limited | 1.47 |
| | **15.20** |
| **Dividend income** | |
| Denso Ten Minda India Private Limited | 8.03 |
| Minda D-Ten India Private Limited | 0.78 |
| Roki Minda Co. Private Limited | 4.38 |
| | **13.18** |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Amount |
|---|---|
| **Share in profit from partnership firms** | |
| Auto Component | 4.98 |
| YA Auto Industries | 4.96 |
| Samaira Engineering | 3.34 |
| S.M. Auto Industries | 0.47 |
| | **13.28** |
| **Royalty income** | |
| Auto Component | 1.17 |
| Samaira Engineering | 0.73 |
| | **1.90** |
| **Investment made** | |
| Strongsun Renewables Private Limited | 2.73 |
| CSE Dakshina Solar Private Limited | 1.70 |
| Minda Onkyo India Private Limited | 6.80 |
| Minda Westport Technologies Limited | 0.18 |
| | **11.41** |
| **Corporate Social Responsibility (CSR) Expense** | |
| Suman Nirmal Minda Charitable Trust | 4.29 |
| | **4.29** |

**(ii) Material transactions with related parties for the year ended 31 March 2021**

| Related party | Amount |
|---|---|
| **Sale of Goods** | |
| Toyoda Gosei Minda India Private Limited | 48.36 |
| Minda I Connect Private Limited | 17.55 |
| | **65.91** |
| **Purchase of Goods** | |
| Samaira Engineering | 123.80 |
| Auto Component | 83.17 |
| S.N. Castings Limited | 31.09 |
| Shankar Moulding Limited | 34.67 |
| | **272.73** |
| **Purchase of Property, Plant & Equipment** | |
| Minda Infrastructure LLP | 20.33 |
| Kosei Minda Mould Private Limited | 6.04 |
| | **26.37** |
| **Services Received** | |
| Minda Investments Limited | 18.64 |
| Minda Projects Limited | 4.56 |
| | **23.20** |
| **Services Rendered** | |
| Roki Minda Co. Private Limited | 4.96 |
| Toyoda Gosei Minda India Private Limited | 6.21 |
| | **11.17** |
| **Interest expense** | |
| Singhal Fincap Limited | 0.10 |
| | **0.10** |
| **Unsecured loan repaid** | |
| Singhal Fincap Limited | 5.00 |
| | **5.00** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| | |
|---|---|
| **Investment made** | |
| Minda Onkyo Private Limited | 13.54 |
| Toyoda Gosei Minda India Private Limited | 33.46 |
| Tokai Rika Minda India Private Limited | 42.89 |
| | **89.89** |
| **Acquisition of shares in Joint Venture** | |
| Minda Finance Limited | 22.59 |
| | **22.59** |
| **Corporate Social Responsibility (CSR) Expense** | |
| Suman Nirmal Minda Charitable Trust | 3.66 |
| | **3.66** |

### (E) Material balances with related parties

(i) **Material balances Outstanding as at 31 March 2022**

| Particulars | Amount |
|---|---|
| **Payables** | |
| S.N. Castings Limited | 6.74 |
| Shankar Moulding Limited | 10.71 |
| Minda Onkyo India Private Limited | 11.20 |
| Tokai Rika Minda India Private Limited | 22.09 |
| | **50.74** |
| **Receivables** | |
| Toyoda Gosei South India Private Limited | 2.22 |
| Minda I-Connect Private Limited | 7.60 |
| Toyoda Gosei Minda India Private Limited | 15.10 |
| Tokai Rika Minda India Private Limited | 10.34 |
| | **35.26** |

(ii) **Material balances as at 31 March 2021**

| Related party | Amount |
|---|---|
| **Payables** | |
| Auto Component | 11.96 |
| Shankar Moulding Limited | 6.02 |
| Samaira Engineering | 17.28 |
| | **35.26** |
| **Receivables** | |
| Minda TTE Daps Private Limited | 3.91 |
| Toyoda Gosei Minda India Private Limited | 5.10 |
| Minda I Connect Private Limited | 16.04 |
| | **25.05** |

**Notes:**

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(b) As at 31 March 2022, the Group has not granted any loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person (31 March 2021: Nil).

(c) All the liabilities for post retirement benefits being 'Gratuity, compensated absence and pension benefit' are provided on actuarial basis for the Group as a whole, accordingly the amount pertaining to Key management personnel are not included above.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

### (F) Key managerial personnel compensation

**Remuneration to Chairman & Managing Director (CMD)**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Short Term Benefit | 5.69 | 2.29 |
| Commission | 7.35 | 4.50 |
| Others - Allowances | 0.46 | 0.30 |
| **Total** | **13.50** | **7.09** |

**Remuneration to Key Managerial other than CMD**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Short Term Benefit | | |
| Mr. Ravi Mehra (Whole time director) | 4.51 | - |
| Mrs. Paridhi Minda (Whole time director) | 0.69 | 0.50 |
| Mr. Sunil Bohra (Chief Financial Officer) | 4.67 | 3.46 |
| Mr. Tarun Kumar Srivastava (Company Secretary) | 0.41 | 0.23 |
| Others - Allowances | | |
| Mr. Sunil Bohra (Chief Financial Officer) | 0.08 | 0.17 |
| Mr. Tarun Kumar Srivastava (Company Secretary) | 0.02 | 0.01 |
| Mrs. Paridhi Minda | 0.05 | 0.03 |
| **Total** | **10.42** | **4.40** |

**Remuneration to Independent Directors**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Sitting Fees | | |
| Mr. Satish Sekhri | 0.11 | 0.09 |
| Ms. Pravin Tripathi | 0.09 | 0.08 |
| Mr. Krishan Kumar Jalan | 0.15 | 0.09 |
| Mr. Chandan Chowdhury | 0.06 | 0.04 |
| Mr. Rakesh Batra | 0.03 | - |
| **Total** | **0.44** | **0.30** |

## 33 FAIR VALUE MEASUREMENTS

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

| Category | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **Financial instruments by category** | | | | |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 8.06 | 8.06 | 5.32 | 5.32 |
| Investments measured at fair value through profit and loss | 12.09 | 12.09 | 1.56 | 1.56 |
| Unquoted equity investments measured at fair value through profit and loss | 0.20 | 0.20 | 0.92 | 0.92 |

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Category | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **Financial assets measured at amortised cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 64.07 | 64.07 | 55.86 | 55.86 |
| Trade receivables (current and non current) | 1,376.65 | 1,376.65 | 1,198.82 | 1,198.82 |
| Cash and cash equivalents | 202.27 | 202.27 | 205.61 | 205.61 |
| Other bank balances (current and non current) | 31.93 | 31.93 | 32.57 | 32.57 |
| **Total** | **1,695.27** | **1,695.27** | **1,500.66** | **1,500.66** |
| | | | | |
| **Financial liabilities measured at amortised cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 815.88 | 815.88 | 1,048.52 | 1,048.52 |
| Lease liabilities (current and non current) | 127.91 | 127.91 | 110.71 | 110.71 |
| Other financial liabilities (current and non current) | 210.64 | 210.64 | 577.13 | 577.13 |
| Trade payables (current and non current) | 1,411.68 | 1,411.68 | 1,289.79 | 1,289.79 |
| **Total** | **2,566.11** | **2,566.11** | **3,026.15** | **3,026.15** |

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

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

(i) The fair value of unquoted instruments, loans from banks other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

(ii) The fair values of the Group's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2022 was assessed to be insignificant.

(iii) Long-term receivables/payables are evaluated by the Group based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(iv) The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

(v) The fair value of security deposit has been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.

(vi) The fair values of the investment in mutual fund has been determined based on net assets value (NAV) available in open market.

(vii) The Group has entered into derivative financial instruments with various banks and financial institutions. Interest rate swaps and foreign exchange forward contracts contracts are valued using valuation techniques, which employs the use of market observable inputs. As at 31 March 2022, the mark-to-market value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the financial instruments recognised at fair value.

(viii) Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(ix) **Fair value hierarchy**

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. The mutual funds are valued using the net assets value (NAV) available in open market. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers among levels 1, 2 and 3 during the year

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognised and measured at Fair value

b) Measured at amortised cost and for which fair value is disclosed in financial statements

**Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2022**

| Particulars | Carrying value | Fair Value | | |
|---|---|---|---|---|
| | As at 31 March 2022 | Level 1 | Level 2 | Level 3 |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 8.06 | - | - | 8.06 |
| Investments measured at fair value through profit and loss | 12.09 | 12.09 | - | - |
| Unquoted equity investments measured at fair value through profit and loss: | 0.20 | - | - | 0.20 |
| **Financial assets measured at amortized cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 64.07 | - | - | 64.07 |
| **Financial liabilities measured at amortized cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 815.88 | - | - | 815.88 |
| Lease liabilities (current and non current) | 127.91 | - | - | 127.91 |
| Other financial liabilities (current and non current) | 210.64 | - | - | 210.64 |

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021**

| Particulars | Carrying value | Fair Value | | |
|---|---|---|---|---|
| | As at 31 March 2021 | Level 1 | Level 2 | Level 3 |
| **Financial assets measured at fair value through profit or loss** | | | | |
| Derivatives financial instruments | 5.32 | - | - | 5.32 |
| Investments measured at fair value through profit and loss | 1.56 | 1.56 | - | - |
| Unquoted equity investments measured at fair value through profit and loss: | 0.92 | - | - | 0.92 |
| **Financial assets measured at amortised cost and for which fair values are disclosed** | | | | |
| Other financial assets (current and non current) | 55.86 | - | - | |
| | 1,500.66 | - | - | |
| **Financial liabilities measured at amortised cost and for which fair values are disclosed** | | | | |
| Borrowings (short term and long term) | 1,048.52 | - | - | 1,048.52 |
| Lease liabilities (current and non current) | 110.71 | - | - | 110.71 |
| Other financial liabilities (current and non current) | 577.13 | - | - | 577.13 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 34 FOREIGN EXCHANGE FORWARD CONTRACTS

The Group has entered into interest rate swap, foreign currency swap and other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of foreign currency receivables and are entered into for periods consistent with foreign currency exposure of the underlying transactions. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

| Nature of contracts | Currency Hedged | Outstanding Foreign Currency amount as at 31 March 2022* | ₹ in Crores | Outstanding Foreign Currency amount as at 31 March 2021* | ₹ in Crores |
|---|---|---|---|---|---|
| Forward exchange contracts ( Trade Receivables) | USD | 23,00,000 | 17.44 | 29,73,193 | 21.85 |
| Forward exchange contracts (Trade Receivables) | EURO | 2,50,000 | 2.12 | 3,90,000 | 3.36 |
| Forward exchange contracts (Trade Payables) | USD | 27,18,940 | 20.61 | 23,54,230 | 17.30 |
| Forward exchange contracts (Trade Payables) | EURO | 2,10,000 | 1.78 | - | - |
| Cross currency and interest rate swap (to hedge the foreign currency loan) | USD | 1,98,18,664 | 150.24 | 41,97,742 | 30.86 |
| Cross currency and interest rate swap (to hedge the foreign currency loan) | EURO | 1,76,250 | 1.49 | | |
| Currency options (to hedge the ECB loan) | USD | - | - | 1,51,93,177 | 130.81 |
| Currency options (to hedge the ECB loan) | USD | 64,05,060 | 48.55 | 1,06,75,100 | 78.47 |

* Foreign currency figures in absolute

Fair value gain on financial instruments measured at fair value amounting to ₹ 2.52 Crores {31 March 2021: ₹ 0.56 Crores) has been recognised as income in statement of profit and loss account.

### 35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group being the active supplier for the automobile industry is exposed to various market risk, credit risk and liquidity risk. The Group has global presence and has decentralised management structure. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. The Group has set up a risk management committee (RMC) which comprise of group chief finance officer and three directors of parent company of which two are independent directors. The Group has also appointed a Chief Risk Officer who is responsible for driving the Group's Enterprise risk management. RMC periodically reviews operating, financial and strategic risk in the business and their mitigating factors. RMC has formulated a risk management policy for the Individaul group company and group as a whole, which outlines the risk management framework to help minimise the impact of uncertainty. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risk associated with the business. This process provides assurance that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective. The Group's financial risk management is an integral part of how to plan and execute its business strategies. Below notes explain the sources of risks in which the Group is exposed to and how it manages the risks.

#### (a) 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2022 and 31 March 2021

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group also have operations in international market due to which the Group is also exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to the movement in foreign currency exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency). The Group manages its foreign currency risk partly by taking forward exchange contract for transactions of sales and purchases and partly balanced by purchasing of goods/services from the respective countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Group's exposure to foreign currency risk at the end of the reporting periods are as follows

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

| Currency | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Foreign currency in Crores | Exchange rate (in ₹) | Amount | Foreign currency Amount in Crores | Exchange rate (in ₹) | Amount |
| **Trade receivables** | | | | | | |
| USD | 1.07 | 75.81 | 81.11 | 0.87 | 73.50 | 63.67 |
| EUR | 0.51 | 84.66 | 43.18 | 0.25 | 86.10 | 21.54 |
| JPY | 5.88 | 0.62 | 3.66 | 9.57 | 0.66 | 6.35 |
| GBP | 0.00 | 99.55 | 0.07 | 0.00 | 100.95 | 0.18 |
| | | | | | | |
| **Trade payable, Capital creditors and other financial liabilities** | | | | | | |
| USD | 1.80 | 75.81 | 136.45 | 1.55 | 73.50 | 113.87 |
| JPY | 16.48 | 0.62 | 10.26 | 21.31 | 0.66 | 14.14 |
| EUR | 0.07 | 84.66 | 5.93 | 0.15 | 86.10 | 13.20 |
| TWD | 0.00 | 2.65 | 0.01 | 0.04 | 2.57 | 0.10 |
| GBP | 0.00 | 99.55 | 0.02 | - | - | - |
| THB | 0.00 | 2.28 | 0.00 | - | - | - |
| | | | | | | |
| **Bank balances** | | | | | | |
| TWD | 0.04 | 2.65 | 0.10 | 0.03 | 2.57 | 0.09 |
| USD | 0.06 | 75.81 | 4.55 | 0.02 | 73.50 | 1.16 |
| JPY | 0.77 | 0.62 | 0.48 | 0.06 | 0.66 | 0.04 |
| EUR | 0.04 | 84.66 | 3.45 | - | - | - |
| | | | | | | |
| **Borrowings** | | | | | | |
| EURO | 0.07 | 84.66 | 6.27 | - | - | - |
| USD | 0.94 | 75.81 | 71.26 | 2.80 | 73.50 | 205.81 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Foreign currency risk sensitivity**

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

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Gain/ (loss) Impact on profit before tax and equity | | Gain/ (loss) Impact on profit before tax and equity | |
| | Change +1% | Change -1% | Change +1% | Change -1% |
| **Trade receivables** | | | | |
| USD | 0.81 | (0.81) | 0.64 | (0.64) |
| EUR | 0.43 | (0.43) | 0.22 | (0.22) |
| JPY | 0.04 | (0.04) | 0.06 | (0.06) |
| GBP | 0.00 | (0.00) | 0.00 | (0.00) |
| | | | | |
| **Trade payable & Capital creditors** | | | | |
| USD | (1.36) | 1.36 | (1.14) | 1.14 |
| JPY | (0.10) | 0.10 | (0.14) | 0.14 |
| EUR | (0.06) | 0.06 | (0.13) | 0.13 |
| TBD | (0.00) | 0.00 | (0.00) | 0.00 |
| GBP | (0.00) | 0.00 | - | - |
| THB | (0.00) | 0.00 | - | - |
| | | | | |
| **Bank balances** | | | | |
| TWD | 0.00 | (0.00) | 0.00 | (0.00) |
| USD | 0.05 | (0.05) | 0.01 | (0.01) |
| JPY | 0.00 | (0.00) | 0.00 | (0.00) |
| EUR | 0.03 | (0.03) | - | - |
| | | | | |
| **Borrowings** | | | | |
| EURO | 0.06 | (0.06) | - | - |
| USD | 0.71 | (0.71) | 0.74 | (0.74) |

**(ii) 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 Group's main interest rate risk arises from long-term borrowings with variable rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2022, after taking into account the effect of interest rate swaps, the Group has following fixed rate and variable rate borrowing:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Variable rate borrowings | 325.93 | 790.02 |
| Fixed rate borrowings | 489.95 | 258.50 |
| Total | 815.88 | 1,048.52 |

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Impact on profit before tax and equity | |
|---|---|---|
| | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| **Increase by 0.5%** | (1.63) | (3.95) |
| **Decrease by 0.5%** | 1.63 | 3.95 |

**(iii) Commodity price risks**

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Group. The Group sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

## (b) Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low.

**Maturity profile of financial liabilities**

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

| As at 31 March 2022 | Less than 1 Years | 1-5 Years | More than 5 Years | Total |
|---|---|---|---|---|
| Borrowings | 441.18 | 374.70 | - | 815.88 |
| Lease liabilities (undiscounted) | 26.52 | 68.32 | 130.97 | 225.81 |
| Trade payable | 1,411.68 | - | - | 1,411.68 |
| Other financial liabilities | 177.29 | 33.35 | - | 210.64 |

| As at 31 March 2021 | | | | |
|---|---|---|---|---|
| Borrowings | 509.40 | 539.12 | - | 1,048.52 |
| Lease liabilities (undiscounted) | 12.06 | 32.76 | 120.94 | 165.76 |
| Trade payable | 1,289.79 | - | - | 1,289.79 |
| Other financial liabilities | 560.89 | 16.24 | - | 577.13 |

## (c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions and funds with mutual fund asset management companies (AMC). The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

**(i) Trade Receivables**

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers with good credit ratings. All customer are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Group has deposited liquid funds at various banking institutions and mutual funds with AMC. No impairment loss is considered necessary in respect of these fixed deposits and mutual funds that are with recognised commercial banks and AMC and are not past due over past years.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**(ii) Financial instruments and deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 is the carrying amounts. The Group's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Group.

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)** | | |
| Other financial assets (current and non-current) | 64.07 | 55.86 |
| Cash and cash equivalents | 202.27 | 205.61 |
| Other bank balances (current and non current) | 31.93 | 32.57 |
| Investments measured at fair value through profit and loss | 12.09 | 1.56 |
| | **310.36** | **295.60** |
| **Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)** | | |
| Trade Receivables | 1,376.65 | 1,198.82 |
| | **1,376.65** | **1,198.82** |
| Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks | | |

| | | |
|---|---|---|
| **The ageing analysis of trade receivables has been considered from the date the invoice falls due** | | |
| **Particulars** | | |
| **Trade Receivables** | | |
| Neither past due nor impaired | 959.02 | 898.62 |
| 0 to 180 days due past due date | 399.32 | 293.22 |
| More than 180 days past due date | 18.31 | 6.98 |
| **Total Trade Receivables** | **1,376.65** | **1,198.82** |

| | | |
|---|---|---|
| **The following table summarises the change in loss allowance measured using the life time expected credit loss model:-** | | |
| As at the beginning of year | 12.03 | 10.57 |
| Provision during the year | 3.19 | 4.73 |
| Reversal of provision during the year | (5.96) | (3.27) |
| **As at the end of year** | **9.26** | **12.03** |

## 36 CAPITAL MANAGEMENT

For the purposes of Group's capital management, Capital includes equity attributable to the equity holders of the parent company and all other equity reserves. The primary objective of the Group's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximise shareholder value. The Group 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 Group may adjust the dividend payment to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalent.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

| Particulars | 31 March 2022 | 31 March 2021 |
|---|---|---|
| Loan and borrowing * | 815.88 | 1,048.52 |
| Less : Cash and cash equivalent | (202.27) | (205.61) |
| **Net debts** | **613.61** | **842.91** |
| | | |
| | | |
| **Equity / Net Worth** | 3,438.45 | 2,256.57 |
| **Total Capital** | **3,438.45** | **2,256.57** |
| | | |
| **Capital and Net debts** | **4,052.06** | **3,099.48** |
| | | |
| **Gearing Ratio (Net Debt/Capital and Net Debt)** | **15.14%** | **27.20%** |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

* Borrowings does not includes Lease liabilities

## 37 BUSINESS COMBINATIONS AND ACQUISITION OF NON-CONTROLLING INTEREST

(i) The Board of directors of the parent company in its meeting held on 6 February 2020, accorded its consent for the scheme of amalgamation of Minda I Connect Private Limited (Transferor Company) with Minda Industries Limited (Transferee Company) subject to necessary approvals of shareholders, Creditors and other approvals and sanctions by the National Company Law Tribunal (NCLT), New Delhi. The parent company is yet to receive the approval of NCLT on the scheme, accordingly appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval.

(ii) During the previous year, one of the group entity namely" Minda TG Rubber India Private Limited ("MTG") has issued fresh equity shares to Toyoda Gosei Co. Limited (other Joint venture partner) resulting in increase of their shareholding from 49.90% to 51.00% and reduction of shareholding and control of the group from 51.00% to 49.90% resulting into loss of control. Accordingly the appropriate accounting treatment and classification of loss of control from subsidiary to joint venture has been carried out in the previous year resulting in gain of ₹ 1.73 Crores which was recognised under exceptional item in the previous year.

(iii) During the previous year the parent company had acquired 30% stake in the entity namely "Tokai Rika Minda India Private Limited" for a cash consideration of ₹ 65.48 Crores. Consequently, "Tokai Rika Minda Private Limited" was considered as an Joint Venture and was accounted for appropriately under "equity method" while preparing the consolidated financial statement of previous year and current year.

(iv) During the previous year, the Scheme of Amalgamation ('Scheme'), for merger of Harita Limited ("Transferor Company 1") and Harita Venu Private Limited ("Transferor Company 2") and Harita Cheema Private Limited ("Transferor Company 3") and Harita Financial Services Limited ("Transferor Company 4") and Harita Seating Systems Limited ("Transferor Company 5") and Minda Industries Limited ("Transferee Company") was approved by the Hon'ble National Company Law Tribunal vide its orders dated 1 February 2021 and 23 February 2021 with appointed date of 1 April 2019. Consequently in the previous year, the Group has given effect to the scheme as per Ind AS 103- Business Combinations (Acquisition method) in financial statements w.e.f. appointed date i.e. 1 April 2019 in accordance with General Circular No. 09/2019 issued by Ministry of Corporate Affairs dated 21 August 2019 along with reinstatement of financial statement of financial year 2019-20. Moreover the Minority shareholder in Harita Fehrer Limited (subsidiary of Transferror Company 5) had exercised its right to sell its stake at an agreed valuation of ₹ 115 Crores as per the agreement. Accordingly an amount of ₹ 115 Crores was shown in other current financial liability in the previous year with a corresponding debit to Investment thereby making it as 100% subsidiary of the Group. This consideration has been paid fully in the current year.

In the current year, the Group has also discharged the consideration payable in respect of penidng issuance of shares by way of allotment of 3,969,737 equity shares having a face value of ₹ 2 each at the price of ₹ 320 per equity share (including security premium of ₹ 318 per equity share) and 18,884,662 fully paid up 0.01% non-convertible redeemable preference shares having a face value of ₹ 100 each at the price of ₹ 121.25 per non-convertible redeemable preference shares (including security premium of ₹ 21.25 per non-convertible redeemable preference shares) in accordance with the scheme. Subsequently the preference shareholders of 18,875,002 non-convertible redeemable preference shares have exercised the option to redeem their shares in the current year, accordingly these shares were redeemed at a redemption price of ₹ 112.50 per non-convertible redeemable preference shares in accordance with the scheme and accounted the resultant gain on settlement of purchase consideration payable in other income (refer note 19). Remaining 9660 0.01% non-convertible redeemable preference are compulsorily redeemable on the expiry of 36 months.

(v) During the current year the Group has acquired 87.50% controlling stake in the entties namely "Samaira Engineering" and "SM Auto Industries", 100% controlling stake in the entites naemely "UNO MINDA Auto Systems Private Limited" and "UNO MINDA EV Systems Private Limited". The Group has also increased in the stake in existing associate partnership firm namely "Auto Component" from 48.90% to 95.00% due to this entity has become the subsidairy of the group in the current year. These entities are engaged in the business of manufacturing and trading of auto parts of 4 wheelers and 2 wheelers.

**Assets acquired and liabilities assumed**: The fair values of the identifiable assets and liabilities in acquired in the business combination on the date of acquisition were as follows::

| Particulars | Samaira Engineerings | SM Auto Industries | Auto Components | UNO MINDA Auto Systems Private Limited | UNO MINDA EV Systems Private Limited |
|---|---|---|---|---|---|
| Property, plant and equipment | 2.52 | 0.77 | 4.98 | - | - |
| Inventories | 8.22 | 3.43 | 4.57 | - | - |
| Trade receivables | 32.33 | 2.92 | 15.68 | - | - |
| Cash and bank balance | 2.93 | 0.42 | 2.85 | 0.01 | 0.03 |
| Others financial and non-financial assets | 0.23 | 0.17 | 0.37 | - | - |
| Trade payable and other current liabilites | (35.09) | (3.71) | (18.73) | - | - |
| Provisions | (0.99) | (0.43) | (1.67) | - | - |
| **Identifiable net assets acquired at fair value** | **10.15** | **3.57** | **8.05** | **0.01** | **0.03** |
| Non-controlling interest in the acquired entity | (1.27) | (0.37) | (0.41) | - | - |
| Fair value of consideration paid | (8.88) | (3.20) | (7.64) | (0.01) | (0.03) |
| **Goodwill / (Capital reserve)** | - | - | - | - | - |

**Notes:**

(a) The consideration payable in respect of above transcation has been fully discharged in cash during the year

(b) The fair value of acquired trade reecivables equals to their carrying value

(vi) During the current year the Group has acquired additonal stake in the existing subsidiary partnership firm namley "YA Auto", thereby increasing the controlling stake of the Group from 51.00% to 87.50% for a cash consideration of ₹ 1.79 Crores paid the non-controlling shareholders. The carrying value and fair value of the additional interest acquired at the date of acquisition was ₹ 1.79 Crores.

(vii) During the current year the Group has subsribed to the fresh issue of the shares by the existing subsidiary company namley "Minda Kosei Aluminum Wheel Private Limited", thereby increasing the controlling stake of the Group from 69.99%% to 77.36% for a cash consideration of ₹ 61.20 Crores and reduction in shareholding of non-controlling shareholders from 30.01% to 22.64%. The resulting gain of ₹ 21.95 Crores from dilution of non-controlling interest has been recognised in retained earnings within other equity.

(viii) During the current year persuant to the fresh issue of the shares by the associate company of the group namely "Kosei Minda Aluminum Company Private Limited", shareholding of the group has been reduced from 30.00% to 18.31%., however the group continues to exercise significant influence over the entity. The resulting gain of ₹ 9.83 Crores on deemed disposal of investment in associate has been recognised in other income in the statement of profit and loss {refer note 19}.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

(ix) During the current year the Group has subsribed to the increased in the controlling stake in existing subsidiary company namley "Minda Kyoraku Limited", thereby increasing the controlling stake of the Group from 67.60%% to 67.66% for a cash consideration of ₹ 0.09 Crores and reduction in shareholding of non-controlling shareholders from 32.40% to 32.34%. The resulting gain of ₹ 0.01 Crores from dilution of non-controlling interest has been recognised in retained earnings within other equity in accordance with Ind AS 103 - Business Combination"

(x) During the current year, the Group has acquired 28.10% interest in the voting shares of Strongsun Renewables Private Limited and 27.71% interest in the voting shares of CSE Dakshina Solar Private Limited at the cash consideration of ₹ 2.73 Crores and ₹ 1.70 Crores respectively. The Group is having significant influence over these entities, accordingly these are recognised as associate companies and accounted for appropriately under "equity method" while preparing the consolidated financial statement of current year.

**Assets acquired and liabilities assumed**: The fair values of the identifiable assets and liabilities in acquired in the business combination on the date of acquisition were as follows::

| Particulars | Strongsun Renewables Private Limited | CSE Dakshina Solar Private Limited |
|---|---|---|
| Property, plant and equipment and work in progress | 2.10 | 0.28 |
| Cash and bank balance | 7.62 | 9.32 |
| Others financial and non-financial assets | - | 0.25 |
| **Identifiable net assets acquired at fair value** | **9.72** | **9.85** |
| % of stake acquired by the Group | 28.10% | 27.71% |
| Proportion of the Group in identifiable net assets acquired | 2.73 | 2.73 |
| Fair value of consideration paid | 2.73 | 2.73 |
| **Goodwill / (Capital reserve)** | **-** | **-** |

(xi) During the current year, the group has acquired the additional 12.50% interest in the voting shares of erstwhile wholly owned subsidiary company namely ""iSYS RTS GmbH", thereby increasing its ownership interest of the group from 80% to 92.50%. The difference between the consideration paid to non-controlling shareholders and carrying value of non-controlling interest on the date of acquisition amounting to ₹ 26.80 Crores has been recognised in retained earnings within other equity. Subsequently, pursuant to corporate restructuring of group companies, the business of wholly owned subsidiary company namely "iSYS RTS GmbH" has been merged with step down subsidiary companies namely "Uno Minda Europe GmbH" (formerly known as "Minda Delvis GmbH"), "Uno Minda System GmbH" (formerly known as "Delvis Product GmbH") and "CREATE GmbH" (formerly known as "Delvis Solution GmbH") and consideration for the said transaction has been discharged by way of allotment of equity shares in step down subsidiary company namely "Uno Minda Europe GmbH" in lieu of shareholding in wholly owned subsidiary company to the parent company and non-controlling shareholders based on share swap ratio.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 38 (A) GROUP INFORMATION

The consolidated financial statements of the group includes following subsidiaries, associates and joint ventures-

Details of subsidiary companies are as follows:

| Name of Company | Country of Incorporation | Ownership interest held by Group | | Non Controlling Interest | | Reporting date used for consolidation |
|---|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 | |
| **Subsidiaries** | | | | | | |
| Minda Kyoraku Limited | India | 67.60% | 67.60% | 32.40% | 32.40% | 31 March 2022 |
| Minda Kosei Aluminum Wheel Private Limited | India | 77.35% | 69.99% | 22.65% | 30.01% | 31 March 2022 |
| Minda Storage Batteries Private Limited | India | 100.00% | 100.00% | - | - | 31 March 2022 |
| YA Auto Industries (partnership firm) | India | 87.50% | 51.00% | 12.50% | 49.00% | 31 March 2022 |
| Auto Component (Partnership Firm) (subsidiary w.e.f 1 January 2022) | India | 95.00% | 48.90% | 5.00% | 51.10% | 31 March 2022 |
| Samaira Engineering (Partnership Firm) (subsidiary w.e.f 1 January 2022) | India | 87.50% | - | 12.50% | - | 31 March 2022 |
| S.M. Auto Industries (Partnership Firm) (subsidiary w.e.f 1 January 2022) | India | 87.50% | - | 12.50% | - | 31 March 2022 |
| iSYS RTS, GmbH {refer note 37) | Germany | - | 80.00% | - | 20.00% | 31 March 2021 |
| Minda Katolec Electronic Services Private Limited | India | 51.00% | 51.00% | 49.00% | 49.00% | 31 March 2022 |
| Mindarika Private Limited | India | 51.00% | 51.00% | 49.00% | 49.00% | 31 March 2022 |
| Harita Fehrer Limited | India | 100.00% | 100.00% | - | - | 31 March 2022 |
| MI Torica India Private Limited | India | 60.00% | 60.00% | 40.00% | 40.00% | 31 March 2022 |
| **Downstream subsidiary of MI Torica India Private Limited** | | | | | | |
| MITIL Polymer Private Limited | India | 60.00% | 57.00% | 40.00% | 43.00% | 31 March 2022 |
| UNO MINDA EV Systems Private Limited {refer note 37} | India | 100.00% | - | - | - | 31 March 2022 |
| UNO MINDA Auto Systems Private Limited {refer note 37} | India | 100.00% | - | - | - | 31 March 2022 |
| Global Mazinkert S.L. | Spain | 100.00% | 100.00% | - | - | 31 March 2022 |
| **Downstream subsidiaries of Global Mazinkert, S.L.** | | | | | | |
| Clarton Horn, Spain | Spain | 100.00% | 100.00% | - | - | 31 March 2022 |
| Light & Systems Technical Centre, S.L. Spain | Spain | 100.00% | 100.00% | - | - | 31 March 2022 |
| **Downstream subsidiaries of Clarton Horn, Spain** | | | | | | |
| Clarton Horn, Morocco | Morocco | 100.00% | 100.00% | - | - | 31 March 2022 |
| Clarton Horn, Signalkoustic | Germany | 100.00% | 100.00% | - | - | 31 March 2022 |
| Clarton Horn, Mexico | Mexico | 100.00% | 100.00% | - | - | 31 March 2022 |
| PT Minda Asean Automotive | Indonesia | 100.00% | 100.00% | - | - | 31 March 2022 |
| **Downstream subsidiary of PT Minda Asean Automotive** | | | | | | |
| PT Minda Trading | Indonesia | 100.00% | 100.00% | - | - | 31 March 2022 |
| Sam Global Pte Limited | Singapore | 100.00% | 100.00% | - | - | 31 March 2022 |
| **Downstream subsidiaries of Sam Global Pte Limited** | | | | | | |
| Minda Industries Vietnam Company Limited | Vietnam | 100.00% | 100.00% | - | - | 31 March 2022 |
| Minda Korea Co Limited | Korea | 100.00% | 100.00% | - | - | 31 March 2022 |
| UNO Minda Europe GMBH (formerly known as Minda Delvis GmbH) {refer note 37} | Germany | 96.19% | 100.00% | 3.81% | - | 31 March 2022 |
| **Downstream subsidiaries of UNO Minda Europe GMBH** | | | | | | |
| UNO Minda Europe GmbH (formerly known as Minda Delvis GmbH) | Germany | 100.00% | 100.00% | - | - | 31 March 2022 |
| UNO Minda Systems GmbH (formerly known as Delvis Products) | Germany | 100.00% | 100.00% | - | - | 31 March 2022 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Details of joint ventures and associates which have been accounted as per equity method are as follows:**

| Name of entity | Country of incorporation | % of Ownership interest | | Carrying amount as at | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| **Joint ventures** | | - | - | | |
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | India | 49.99% | 49.10% | 17.29 | 8.19 |
| Rinder Riduco, S.A.S. Columbia | Columbia (USA) | 50.00% | 50.00% | 12.22 | 10.40 |
| ROKI Minda Co. Private Limited | India | 49.00% | 49.00% | 117.41 | 110.67 |
| Minda TTE DAPS Private Limited | India | 50.00% | 50.00% | 0.52 | - |
| Minda Onkyo India Private Limited | India | 50.00% | 50.00% | 10.59 | 3.56 |
| Minda TG Rubber Private Limited | India | 49.90% | 49.90% | 28.10 | 26.10 |
| Densoten Minda India Private Limited | India | 49.00% | 49.00% | 68.54 | 53.41 |
| Minda D-ten India Private Limited | India | 51.00% | 51.00% | 9.65 | 7.89 |
| Toyoda Gosei Minda India Private Limited | India | 47.80% | 47.80% | 242.64 | 232.00 |
| Kosei Minda Mould Private Limited | India | 49.90% | 49.90% | 5.09 | 4.34 |
| Tokai Rika Minda India Private Limited | India | 30.00% | 30.00% | 64.59 | 61.84 |
| **Associates companies** | | | | | |
| Auto Component (Partnership Firm) {refer note 37} | India | 95.00% | 48.90% | - | 4.14 |
| Minda NexGenTech Limited | India | 26.00% | 26.00% | 3.34 | 2.47 |
| Yogendra Engineering (partnership firm) | India | 48.90% | 48.90% | 0.08 | 0.08 |
| Kosei Minda Aluminum Company Private Limited {refer note 37} | India | 18.31% | 30.00% | 10.25 | 3.52 |
| Strongsun Renewables Private Limited {refer note 37} | India | 28.10% | - | 2.64 | - |
| CSE Dakshina Solar Private Limited {refer note 37} | India | 27.71% | - | 1.67 | - |

**Note:** Investment in all associate and joint ventures are in unquoted equity instruments accounted for using equity method as per Ind AS 28 - "Investment in Associates and Joint ventures"

(All amounts in Indian ₹ Crores, unless otherwise stated)

### (B) Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

| Name of subsidiary | Country of incorporation | Proportion of equity interest held by non-controlling interests | | Accumulated balances of material non-controlling interest | | Profit/(loss) allocated to material non-controlling interest | | Other comprehensive income allocated to material non-controlling interest | |
|---|---|---|---|---|---|---|---|---|---|
| | | 31-Mar-22 | 31-Mar-21 | 31-Mar-22 | 31-Mar-21 | 31-Mar-22 | 31-Mar-21 | 31-Mar-22 | 31-Mar-21 |
| Minda Kyoraku Limited | India | 32.40% | 32.40% | 42.26 | 38.48 | 4.91 | 5.82 | 0.06 | 0.03 |
| Minda Kosei Aluminum Wheel Private Limited | India | 22.65% | 30.01% | 126.84 | 127.95 | 20.67 | 17.98 | 0.18 | 0.08 |
| Mindarika Private Limited | India | 49.00% | 49.00% | 140.45 | 120.23 | 26.45 | 16.86 | (0.13) | 0.20 |
| YA Auto Industries (Partnership firm) | India | 12.50% | 49.00% | 0.49 | 1.81 | 3.37 | 4.31 | 0.01 | - |
| Minda Katolec Electronic Services Private Limited | India | 49.00% | 49.00% | 4.07 | 3.88 | 0.14 | (3.71) | 0.05 | 0.02 |
| MI Torica India Private Limited | India | 40.00% | 40.00% | 9.68 | 10.10 | 0.60 | 1.12 | - | - |
| SM Auto (Partnership firm) | India | 12.50% | - | 0.52 | - | 0.06 | - | 0.00 | - |
| Samaira Engineering (Partnership firm) | India | 12.50% | - | 1.05 | - | 0.47 | - | 0.00 | - |
| Auto component (Partnership firm) | India | 5.00% | - | 0.28 | - | 0.11 | - | 0.01 | - |
| UNO Minda Europe GmbH | Germany | 3.81% | - | 0.65 | - | 0.06 | - | 0.05 | - |
| iSYS RTS GmbH | Germany | - | 20.00% | - | 4.00 | - | 0.49 | - | 0.11 |
| Minda TG Rubber Private Limited {refer note 37 (ii)} | India | - | 20.00% | - | - | - | (1.06) | - | - |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

**Summarised statement of profit and loss for the year ended 31 March 2022:**

| Particulars | Minda Kyoraku Limited | Minda Kosei Aluminum Wheel Private Limited | Mindarika Private Limited | Minda Katolec Electronic Services Private Limited | MI Torica India Private Limited | UNO Minda Europe GmbH |
|---|---|---|---|---|---|---|
| Revenue from operations | 213.72 | 812.96 | 889.08 | 150.22 | 286.99 | 397.76 |
| Other Income | 0.98 | 3.74 | 3.68 | 0.05 | 1.32 | 3.46 |
| Cost of goods sold | (111.63) | (445.72) | (591.16) | (124.98) | (276.17) | (185.86) |
| Employee Benefits Expense | (25.11) | (57.92) | (109.45) | (6.66) | (1.81) | (140.98) |
| Finance Costs | (1.72) | (11.35) | (2.36) | (3.90) | (1.64) | (3.82) |
| Depreciation and Amortisation Expense | (12.53) | (66.05) | (26.43) | (5.69) | (0.02) | (28.09) |
| Other Expenses | (43.44) | (135.83) | (91.56) | (8.76) | (6.82) | (41.25) |
| **Profit before tax** | **20.27** | **99.83** | **71.80** | **0.28** | **1.85** | **1.22** |
| Income tax | (5.13) | (27.61) | (17.68) | - | (0.35) | 0.36 |
| **Profit for the year** | **15.14** | **72.22** | **54.12** | **0.28** | **1.50** | **1.58** |
| Other comprehensive income | 0.19 | 0.78 | (0.28) | 0.10 | - | 1.39 |
| **Total comprehensive income** | **15.33** | **73.00** | **53.84** | **0.38** | **1.50** | **2.97** |
| Dividends paid to non-controlling interests and drawings by non-controlling interest from partnership firm | 1.19 | - | 5.06 | - | 0.20 | - |
| **Proportion of equity interest held by non-controlling interests** | 32.40% | 22.65% | 49.00% | 49.00% | 40.00% | 3.81% |
| **Profit for the year** | | | | | | |
| Attributable to owners | 10.23 | 51.55 | 27.67 | 0.14 | 0.90 | 1.52 |
| Attributable to non-controlling interests | 4.91 | 20.67 | 26.45 | 0.14 | 0.60 | 0.06 |
| **Other comprehensive income** | | | | | | |
| Attributable to owners | 0.13 | 0.60 | -0.15 | 0.05 | - | 1.34 |
| Attributable to non-controlling interests | 0.06 | 0.18 | -0.13 | 0.05 | - | 0.05 |
| **Total comprehensive income** | | | | | | |
| Attributable to owners | 10.36 | 52.15 | 27.52 | 0.19 | 0.90 | 2.86 |
| Attributable to non-controlling interests | 4.97 | 20.85 | 26.32 | 0.19 | 0.60 | 0.11 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised statement of profit and loss for the year ended 31 March 2021:**

| Particulars | Minda Kyoraku Limited | Minda Kosei Aluminum Wheel Private Limited | Mindarika Private Limited | Minda Katolec Electronic Services Private Limited | MI Torica India Private Limited | Isys RTS GmbH |
|---|---|---|---|---|---|---|
| Revenue from operations | 165.38 | 518.71 | 660.43 | 105.72 | 187.13 | 111.51 |
| Other Income | 2.80 | 3.86 | 0.45 | 0.33 | 0.62 | 0.37 |
| Cost of goods sold | (75.65) | (247.95) | (432.44) | (91.94) | (176.97) | (45.24) |
| Employee Benefits Expense | (21.74) | (37.91) | (92.32) | (5.19) | (1.32) | (51.41) |
| Finance Costs | (2.62) | (13.59) | (3.03) | (3.61) | (1.41) | (0.44) |
| Depreciation and Amortisation Expense | (13.27) | (54.82) | (28.84) | (5.15) | (0.04) | (6.35) |
| Other Expenses | (30.90) | (88.63) | (57.36) | (7.74) | (4.72) | (4.68) |
| **Profit before tax** | **24.00** | **79.67** | **46.89** | **-7.58** | **3.29** | **3.76** |
| Income tax | (6.05) | (19.76) | (12.48) | - | (0.82) | (1.30) |
| **Profit for the year** | **17.95** | **59.91** | **34.41** | **(7.58)** | **2.47** | **2.46** |
| Other comprehensive income | 0.08 | 0.28 | 0.37 | 0.05 | - | 0.61 |
| **Total comprehensive income** | **18.03** | **60.19** | **34.78** | **(7.53)** | **2.47** | **3.07** |
| Dividends paid to non-controlling interests and drawings by non-controlling interest from partnership firm | 0.40 | - | 3.20 | - | 0.29 | |
| **Proportion of equity interest held by non-controlling interests** | 32.40% | 30.01% | 49.00% | 49.00% | 40.00% | 20.00% |
| **Profit for the year** | | | | | | |
| Attributable to owners | 12.13 | 41.93 | 17.55 | (3.87) | 1.35 | 1.97 |
| Attributable to non-controlling interests | 5.82 | 17.98 | 16.86 | (3.71) | 1.12 | 0.49 |
| **Other comprehensive income** | | | | | | |
| Attributable to owners | 0.05 | 0.20 | 0.19 | 0.03 | - | 0.49 |
| Attributable to non-controlling interests | 0.03 | 0.08 | 0.20 | 0.02 | - | 0.11 |
| **Total comprehensive income** | | | | | | |
| Attributable to owners | **12.19** | **42.13** | **17.74** | **(3.84)** | **1.35** | **2.46** |
| Attributable to non-controlling interests | **5.85** | **18.06** | **17.06** | **(3.69)** | **1.12** | **0.60** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised balance sheet as at 31 March 2022:**

| Particulars | Minda Kyoraku Limited | Minda Kosei Aluminum Wheel Private Limited | Mindarika Private Limited | Minda Katolec Electronic Services Private Limited | MI Torica India Private Limited | UNO Minda Europe GmbH |
|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | |
| Property, plant and equipment, intangible assets and right of use assets | 103.06 | 419.49 | 183.07 | 40.23 | 0.12 | 150.47 |
| Capital work in progress and Intangible assets under development | 68.93 | 160.13 | 7.97 | 6.62 | - | 1.00 |
| Goodwill | | | | | | 41.91 |
| Deferred tax assets | 0.42 | 10.24 | 1.82 | - | 0.39 | |
| Other non-current financial and non-financial assets | 7.01 | 16.90 | 3.51 | 0.31 | 0.12 | 1.33 |
| Non-current tax assets | 1.29 | 0.01 | 2.36 | 0.20 | 0.86 | |
| **Current assets** | | | | | | |
| Inventories | 25.50 | 113.81 | 137.35 | 47.92 | 27.24 | 73.97 |
| Trade receivables | 35.71 | 117.90 | 133.66 | 27.45 | 61.21 | 69.40 |
| Cash and bank balance | 2.42 | 29.30 | 40.25 | 2.91 | 10.10 | 11.27 |
| Other current financial and non-financial assets | 9.07 | 23.28 | 11.16 | 10.20 | 11.61 | 8.73 |
| **Total assets** | **253.41** | **891.06** | **521.15** | **135.84** | **111.65** | **358.08** |
| **Non-current liabilities** | | | | | | |
| Borrowings and lease liabilties | 30.88 | 88.18 | 23.19 | 41.48 | - | 159.54 |
| Deferred tax liabilities | | | | | | 15.96 |
| Provisions | 2.53 | 4.94 | 9.50 | - | 0.38 | |
| Other non-current financial and non-financial liabilities | - | 68.71 | 2.79 | 0.62 | - | 7.08 |
| **Current liabilities** | | | | | | |
| Borrowings and lease liabilties | 7.31 | 42.03 | 13.08 | 26.24 | 17.00 | 29.87 |
| Trade payables | 37.84 | 74.53 | 156.17 | 58.62 | 68.84 | 90.24 |
| Current tax liabilties | - | 1.93 | - | - | - | 7.55 |
| Provisions | 1.07 | 5.52 | 3.92 | 0.08 | 0.83 | 6.49 |
| Other current financial and non-financial liabilities | 43.35 | 45.20 | 25.87 | 0.49 | 0.41 | 24.32 |
| **Total liabilities** | **122.98** | **331.04** | **234.52** | **127.53** | **87.46** | **341.05** |
| **Net Assets** | **130.43** | **560.02** | **286.63** | **8.31** | **24.19** | **17.06** |
| **Proportion of equity interest held by non-controlling interests** | 32.40% | 22.65% | 49.00% | 49.00% | 40.00% | 3.81% |
| **Attributable to:** | | | | | | |
| Equity holders of parent | 88.17 | 433.18 | 146.18 | 4.24 | 14.51 | 16.41 |
| Non-controlling interest | 42.26 | 126.84 | 140.45 | 4.07 | 9.68 | 0.65 |

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised balance sheet as at 31 March 2021:**

| **Particulars** | **Minda Kyoraku Limited** | **Minda Kosei Aluminum Wheel Private Limited** | **Mindarika Private Limited** | **Minda Katolec Electronic Services Private Limited** | **MI Torica India Private Limited** | **iSYS RTS, GmbH** |
|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | |
| Property, plant and equipment, intangible assets and right of use assets | 95.28 | 435.33 | 189.61 | 31.24 | 0.14 | 32.01 |
| Capital work in progress and Intangible assets under development | 5.84 | 31.35 | 2.16 | - | - | - |
| Deferred tax assets | 0.32 | 4.5 | 0.69 | - | 0.23 | 0.30 |
| Non-current tax assets | - | 7.41 | 3.69 | 0.10 | - | - |
| Other non-current financial and non-financial assets | 1.70 | 19.06 | 3.81 | 0.31 | 0.12 | 0.60 |
| **Current assets** | | | | | | |
| Inventories | 12.57 | 61.61 | 90.07 | 27.79 | 33.71 | 20.60 |
| Trade receivables | 29.17 | 98.36 | 102.89 | 15.16 | 43.04 | 14.82 |
| Cash and bank balance | 36.09 | 11.17 | 22.89 | 1.17 | 17.71 | 2.87 |
| Current tax asset | 0.23 | 0 | - | - | 0.51 | - |
| Other current financial and non financial assets | 3.98 | 24.99 | 10.30 | 10.10 | 8.37 | 2.18 |
| **Total assets** | **185.18** | **693.78** | **426.11** | **85.87** | **103.83** | **73.38** |
| **Non current liabilities** | | | | | | |
| Borrowings and lease liabilities | 17.26 | 67.7 | 26.17 | 25.93 | - | 18.11 |
| Provisions | 3.52 | 3.26 | 10.25 | 0.48 | 0.24 | - |
| Other non current financial and non financial liabilities | - | 73.75 | 2.43 | - | 0.70 | - |
| **Current liabilities** | | | | | | |
| Borrowings and lease liabilities | 9.20 | 26.15 | 11.29 | 11.65 | 17.50 | 10.33 |
| Trade payables | 22.68 | 71.98 | 109.50 | 39.51 | 61.27 | 12.36 |
| Provisions | 0.16 | 2.06 | 3.83 | 0.03 | 0.03 | 5.70 |
| Current tax liabilties | - | 1.59 | 1.92 | - | - | 1.70 |
| Other current financial and non financial liabilities | 13.61 | 20.93 | 15.36 | 0.36 | 0.55 | 5.19 |
| **Total Liabilities** | **66.43** | **267.42** | **180.75** | **77.96** | **80.29** | **53.39** |
| **Net Assets** | 118.75 | 426.36 | 245.36 | 7.91 | 23.54 | 19.99 |
| **Proportion of equity interest held by non-controlling interests** | 32.40% | 30.01% | 49.00% | 49.00% | 40.00% | 20.00% |
| **Attributable to:** | | | | | | |
| Equity holders of parent | 80.28 | 298.41 | 125.13 | 4.03 | 13.44 | 15.99 |
| Non-controlling interest | 38.48 | 127.95 | 120.23 | 3.88 | 10.10 | 4.00 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised cash flow information for the year ended 31 March 2022:**

| Particulars | Minda Kyoraku Limited | Minda Kosei Aluminum Wheel Private Limited | Mindarika Private Limited | Minda Katolec Electronic Services Private Limited | MI Torica India Private Limited |
|---|---|---|---|---|---|
| Operating | 27.54 | 92.42 | 53.65 | (3.31) | 0.75 |
| Investing | (64.94) | (165.01) | (21.24) | (14.10) | (0.07) |
| Financing | 3.70 | 90.63 | (15.05) | 10.14 | (2.79) |
| **Net increase/(decrease) in cash and cash equivalents** | **(33.70)** | **18.04** | **17.36** | **(7.27)** | **(2.11)** |

**Summarised cash flow information for the year ended 31 March 2021:**

| Particulars | Minda Kyoraku Limited | Minda Kosei Aluminum Wheel Private Limited | Mindarika Private Limited | Minda Katolec Electronic Services Private Limited | MI Torica India Private Limited |
|---|---|---|---|---|---|
| Operating | 26.31 | 36.99 | 29.16 | (3.72) | 5.38 |
| Investing | (10.15) | (16.53) | (10.42) | (4.05) | 0.29 |
| Financing | (12.66) | (26.10) | (20.91) | 9.43 | (0.14) |
| **Net increase/(decrease) in cash and cash equivalents** | **3.50** | **(5.64)** | **(2.17)** | **1.66** | **5.53** |

(All amounts in Indian ₹ Crores, unless otherwise stated)

### (C) Interest in joint ventures and associates

**Summarised statement of profit and loss of material associates/joint ventures for the year ended 31 March 2022:**

| Particulars | ROKI Minda Co. Private Limited | Densoten Minda India Private Limited | Toyoda Gosei Minda India Private Limited | Tokai Rika Minda India Private Limited | Minda TG Rubber Private Limited | Kosei Minda Aluminium Company Private Limited |
|---|---|---|---|---|---|---|
| Revenue from operations | 435.04 | 458.95 | 856.02 | 649.40 | 84.51 | 156.54 |
| Other Income | 2.23 | 1.95 | 25.53 | 3.53 | 0.40 | 2.60 |
| Cost of goods sold | (280.24) | (332.20) | (566.03) | (519.93) | (52.11) | (100.85) |
| Employee Benefits Expense | (40.93) | (20.41) | (89.17) | (36.60) | (8.47) | (14.86) |
| Finance Costs | (1.28) | (1.14) | (6.63) | (8.25) | (2.44) | (3.93) |
| Depreciation and Amortisation Expense | (34.82) | (15.09) | (63.47) | (23.87) | (7.78) | (10.80) |
| Other Expenses | (49.67) | (28.84) | (111.01) | (58.34) | (11.03) | (45.63) |
| **Profit before tax** | **30.33** | **63.22** | **45.24** | **5.94** | **3.08** | **-16.93** |
| Income tax | (7.94) | (15.91) | (21.02) | (1.84) | 0.88 | - |
| **Profit for the year** | **22.39** | **47.31** | **24.22** | **4.10** | **3.96** | **(16.93)** |
| Other comprehensive income | 0.29 | (0.11) | (0.46) | 0.72 | 0.06 | 0.14 |
| **Total comprehensive income** | **22.68** | **47.20** | **23.76** | **4.82** | **4.02** | **(16.79)** |
| **Proportion of equity interest held by group** | 49.00% | 49.00% | 47.80% | 30.00% | 49.90% | 18.31% |
| **Group's share of profit** | 10.97 | 23.18 | 11.58 | 1.23 | 1.98 | (3.10) |
| **Group's share of Other comprehensive income** | 0.14 | (0.05) | (0.22) | 0.22 | 0.03 | 0.03 |
| **Group's share of total comprehensive income** | 11.11 | 23.13 | 11.36 | 1.45 | 2.01 | (3.07) |

**Summarised statement of profit and loss of material associates/joint ventures for the year ended 31 March 2021:**

| Particulars | ROKI Minda Co. Private Limited | Densoten Minda India Private Limited | Toyoda Gosei Minda India Private Limited | Tokai Rika Minda India Private Limited | Minda TG Rubber Private Limited | Kosei Minda Aluminium Company Private Limited |
|---|---|---|---|---|---|---|
| Revenue from operations | 412.07 | 273.27 | 530.40 | 529.69 | 59.26 | 78.57 |
| Other Income | 2.69 | 4.12 | 18.12 | 2.92 | 1.22 | 1.87 |
| Cost of goods sold | (239.24) | (196.79) | (348.62) | (416.67) | (35.45) | (42.37) |
| Employee Benefits Expense | (38.81) | (14.63) | (57.92) | (34.29) | (8.58) | (11.54) |
| Finance Costs | (3.21) | (0.78) | (5.61) | (14.52) | (2.98) | (6.06) |
| Depreciation and Amortisation Expense | (35.17) | (11.08) | (51.25) | (30.44) | (6.59) | (12.22) |
| Other Expenses | (46.22) | (22.76) | (72.75) | (50.12) | (9.19) | (23.83) |
| **Profit before tax** | **52.11** | **31.35** | **12.37** | **(13.43)** | **(2.31)** | **(15.58)** |
| Income tax | (13.74) | (10.92) | (2.36) | 6.65 | - | - |
| **Profit for the year** | **38.37** | **20.43** | **10.01** | **(6.78)** | **(2.31)** | **(15.58)** |
| Other comprehensive income | 0.24 | 0.09 | 0.32 | 0.19 | 0.12 | -0.03 |
| **Total comprehensive income** | **38.61** | **20.52** | **10.33** | **(6.59)** | **(2.19)** | **(15.61)** |
| **Proportion of equity interest held by group** | 49.00% | 49.00% | 47.80% | 30.00% | 49.90% | 30.00% |
| **Group's share of profit** | 18.80 | 10.01 | 4.78 | (2.03) | (1.15) | (4.67) |
| **Group's share of Other comprehensive income** | 0.12 | 0.04 | 0.15 | 0.06 | 0.06 | (0.01) |
| **Group's share of total comprehensive income** | 18.92 | 10.05 | 4.94 | (1.98) | (1.09) | (4.68) |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised balance sheet of material associates/joint ventures as at 31 March 2022:**

| Particulars | ROKI Minda Co. Private Limited | Densoten Minda India Private Limited | Toyoda Gosei Minda India Private Limited | Tokai Rika Minda India Private Limited | Minda TG Rubber Private Limited | Kosei Minda Aluminium Company Private Limited |
|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | |
| | 152.12 | 65.72 | 397.00 | 130.97 | 73.37 | 123.82 |
| Capital work in progress and Intangible assets under development | 0.42 | 6.79 | 76.35 | 0.06 | 9.07 | 3.82 |
| Goodwill | - | - | 2.88 | - | - | - |
| Deferred tax assets | 4.34 | - | 14.48 | 14.03 | 2.96 | - |
| Non-current tax assets | - | - | 0.44 | - | - | - |
| Other non-current financial and non-financial assets | 1.80 | 10.23 | 13.12 | - | 2.48 | 0.53 |
| **Current assets** | | | | | | |
| Inventories | 32.05 | 64.98 | 130.76 | 141.33 | 11.82 | 20.14 |
| Trade receivables | 55.68 | 62.37 | 154.95 | 109.55 | 12.85 | 40.60 |
| Cash and bank balance | 53.65 | 25.77 | 6.84 | 33.76 | 0.25 | 2.86 |
| Assets held for sale | - | - | 5.37 | - | - | - |
| Current tax Assets | - | - | - | - | - | 0.20 |
| Other current financial and non-financial assets | 3.46 | 28.68 | 88.02 | 37.54 | 1.75 | 7.06 |
| **Total assets** | **303.52** | **264.54** | **890.21** | **467.24** | **114.55** | **199.03** |
| **Non-current liabilities** | | | | | | |
| Borrowings and lease liabilties | - | 1.19 | 54.85 | - | 12.82 | 0 |
| Provisions | 3.62 | 2.06 | 7.47 | 0.49 | 0.44 | 1.14 |
| Deferred tax liabilities | - | 0.45 | - | - | - | 0 |
| Other non-current financial and non-financial liabilities | - | 2.23 | 7.74 | - | 0.12 | 0 |
| **Current liabilities** | | | | | | |
| Borrowings and lease liabilties | 3.35 | 40.57 | 66.45 | 97.00 | 29.95 | 64.03 |
| Contract liabilities | 0.87 | - | 65.56 | - | - | 0 |
| Trade payables | 43.61 | 68.18 | 141.90 | 141.49 | 12.14 | 71.85 |
| Current tax liabilties | 0.43 | 0.61 | 0.55 | 2.92 | 0.50 | 0 |
| Provisions | 4.00 | 3.30 | 10.85 | 2.68 | 0.68 | 0.11 |
| Other current financial and non-financial liabilities | 8.03 | 6.07 | 27.22 | 7.36 | 1.59 | 5.92 |
| **Total Liabilities** | **63.91** | **124.66** | **382.59** | **251.94** | **58.24** | **143.05** |
| | | | | | | |
| **Net Assets** | 239.61 | 139.88 | 507.62 | 215.30 | 56.31 | 55.98 |
| **Proportion of equity interest held by group** | 49.00% | 49.00% | 47.80% | 30.00% | 49.90% | 18.31% |
| Interest in the entity | 117.41 | 68.54 | 242.64 | 64.59 | 28.10 | 10.25 |

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Summarised balance sheet of material associates/joint ventures as at 31 March 2021:**

| Particulars | ROKI Minda Co. Private Limited | Densoten Minda India Private Limited | Toyoda Gosei Minda India Private Limited | Tokai Rika Minda India Private Limited | Minda TG Rubber Private Limited | Kosei Minda Aluminium Company Private Limited |
|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | |
| Property, plant and equipment, intangible assets and right of use assets | 179.30 | 79.40 | 404.25 | 145.79 | 79.05 | 130.49 |
| Capital work in progress and Intangible assets under development | 0.90 | 0.30 | 9.44 | 0.32 | 1.40 | 3.82 |
| Goodwill | - | - | 2.88 | - | - | 0 |
| Deferred tax assets | 0.31 | - | 26.98 | 12.16 | 1.60 | 0 |
| Non-current tax assets | - | - | 0.42 | 1.02 | - | 0 |
| Other non-current financial and non-financial assets | 2.76 | 10.76 | 12.87 | 0.52 | 3.04 | 0.58 |
| **Current assets** | | | | | | |
| Inventories | 26.19 | 58.56 | 69.44 | 119.01 | 10.23 | 17.31 |
| Trade receivables | 60.32 | 61.22 | 98.95 | 119.96 | 9.85 | 20.98 |
| Cash and bank balance | 55.96 | 30.52 | 76.12 | 60.83 | 0.13 | 0.21 |
| Assets held for sale | - | - | 5.38 | - | - | 0 |
| Current tax Assets | - | - | - | 0 | - | 0.05 |
| Other current financial and non-financial assets | 11.13 | 4.62 | 11.69 | 22.79 | 0.77 | 5.13 |
| **Total assets** | **336.87** | **245.38** | **718.42** | **482.40** | **106.07** | **178.57** |
| **Non-current liabilities** | | | | | | |
| Borrowings and lease liabilities | 3.23 | 44.45 | 47.99 | - | 12.31 | 29.59 |
| Provisions | 3.12 | 1.20 | 7.06 | 0.43 | 0.47 | 1.02 |
| Deferred tax liabilities | - | 2.03 | - | - | - | 0 |
| Other non-current financial and non-financial liabilities | - | 4.91 | 8.09 | - | 0.17 | 0.14 |
| **Current liabilities** | | | | | | |
| Borrowings and lease liabilities | 13.18 | 0.10 | 47.87 | 97.20 | 28.57 | 82.5 |
| Contract liabilities | 1.23 | - | - | - | - | 0 |
| Trade payables | 71.88 | 76.20 | 87.58 | 158.16 | 10.95 | 48.21 |
| Current tax liabilties | 3.72 | 0.61 | 1.14 | - | - | 0 |
| Provisions | 3.41 | 2.86 | 13.76 | 3.46 | 0.61 | 0.09 |
| Other current financial and non-financial liabilities | 11.24 | 4.02 | 19.57 | 12.02 | 0.69 | 5.29 |
| **Total Liabilities** | **111.01** | **136.38** | **233.06** | **271.27** | **53.77** | **166.84** |
| | | | | | | |
| **Net Assets** | 225.86 | 109.00 | 485.36 | 211.13 | 52.30 | 11.73 |
| **Proportion of equity interest held by group** | 49.00% | 49.00% | 47.80% | 30.00% | 49.90% | 30.00% |
| Interest in the entity | 110.67 | 53.41 | 232.00 | 63.34 | 26.10 | 3.52 |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

**Commitments and Contingencies of joint ventures and associates**

**(A) Contingent liabilities (to the extent not provided for)**

| S. No. | Particulars | Joint venture companies | | Associate companies | |
|---|---|---|---|---|---|
| | | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| (i) | Share of group in claims made not acknowledged as debts. {refer note (a)} | - | - | 5.60 | 0.91 |
| (ii) | Share of group in disputed tax liabilities in respect of pending litigations before appellate authorities {refer note (b)} | 3.40 | 8.09 | 0.42 | 0.44 |
| (iii) | Bank Guarantee | 0.72 | 0.71 | 0.37 | 0.39 |
| (iv) | Others | 0.02 | - | - | - |

(a) Claims / suits filed against the associate entity not acknowledged as debts which represents various legal cases filed against the company. The Company has disclaimed the liability and defending the action. The entities have been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

(b) The various disputed tax litigations are as under:

| Particulars | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|---|
| **Income tax matters**<br>(Disallowances and additions made by the income tax department) | 2.12 | 2.24 | - | - |
| **Excise / Custom / Service tax matters / Sales tax / VAT / Goods and service tax matters**<br>(Demands raised by the excise / custom / service tax / Sales tax / VAT / Goods and service tax matters) | 1.28 | 5.85 | 0.42 | 0.44 |
| **Total** | **3.40** | **8.09** | **0.42** | **0.44** |

The associate and joint venture companies have ongoing disputes with various judicial forums relating to tax treatment of certain items in respect of income tax, excise, sales tax, VAT, service tax and GST. These companies are contesting these demands and the group management believes that their postition will likely to be upheld in the appellate process and accordingly no provision has been accrued in the consolidated financial statements to these demands raised. The group management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the consolidated financial position and results of operations.

(c) Liability of customs duty towards export obligation undertaken by the Joint venture companies under "Export Promotion Capital Goods Scheme (EPCG)" amounting to ₹ 0.88 Crores (₹ 10.13 Crores as on 31 March 2021). As per the EPCG terms and conditions, companies need to export the goods worth ₹ 5.28 Crores (₹ 60.80 Crores as on 31 March 2021) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. The Group expects to complete the obligation within specified timeline. The Group has accounted these grants in accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance" and if the Group does not export goods in prescribed time, then the Group may be liable to pay interest and penalty thereon.

(d) The Department of Trade & Taxes has raised demand to one of the associate company namely " Minda NexGenTech Limited" of ₹ 0.08 Crores (Mach 31, 2021: ₹ Nil). The associate company is under the process to object such demand and filing the appeal before the higher authorities. Share of group in the contigent liabilities of associate is ₹ 0.02 Crores (31 March 2021: ₹ Nil)

**(B) Capital and other commitments**

| Particulars | Joint venture companies | | Associate companies | |
|---|---|---|---|---|
| | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 | As at 31 March 2021 |
| Estimated amount of contracts remaining to be executed on account of capital and other commitments (net of advance) and not provided | 14.14 | 65.20 | 0.13 | - |

(All amounts in Indian ₹ Crores, unless otherwise stated)

### (D) Statutory group information

**For the year ended 31 March 2022**

| Particulars | Net assets (total assets minus total liabilities) | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of net assets | Amount | As % of profit or loss | Amount | As % of other comprehensive income | Amount | As % of total comprehensive income | Amount |
| **Parent Company** | | | | | | | | |
| Minda Industries Limited | 77.25% | 2,656.10 | 55.10% | 196.03 | (3.61%) | (0.80) | 51.65% | 195.23 |
| **Subsidiary companies** | | | | | | | | |
| **Indian subsidiary companies** | | | | | | | | |
| Minda Kyoraku Limited | 3.79% | 130.43 | 4.26% | 15.14 | 0.86% | 0.19 | 4.06% | 15.33 |
| Minda Kosei Aluminum Wheel Private Limited | 16.29% | 560.02 | 20.30% | 72.22 | 3.52% | 0.78 | 19.31% | 73.00 |
| Minda Storage Batteries Private Limited | 3.25% | 111.78 | (0.27%) | (0.96) | 0.38% | 0.09 | (0.23%) | (0.88) |
| YA Auto Industries (partnership firm) | 0.11% | 3.95 | 2.33% | 8.29 | 0.23% | 0.05 | 2.21% | 8.34 |
| Minda Katolec Electronic Services Private Limited | 0.24% | 8.31 | 0.08% | 0.28 | 0.45% | 0.10 | 0.10% | 0.38 |
| Mindarika Private Limited | 8.34% | 286.63 | 15.21% | 54.12 | (1.26%) | (0.28) | 14.24% | 53.84 |
| MI Torica India Private Limited | 0.70% | 24.19 | 0.42% | 1.50 | - | - | 0.40% | 1.50 |
| Harita Fehrer Limited | 5.93% | 203.97 | 4.07% | 14.49 | (1.31%) | (0.29) | 3.76% | 14.20 |
| SM Auto (Partnership firm) | 0.12% | 4.14 | 0.15% | 0.52 | 0.14% | 0.03 | 0.15% | 0.55 |
| Samaira Engineering (Partnership firm) | 0.25% | 8.43 | 1.05% | 3.74 | 0.14% | 0.03 | 1.00% | 3.77 |
| Auto component (Partnership firm) | 0.17% | 5.69 | 0.64% | 2.27 | 0.81% | 0.18 | 0.65% | 2.45 |
| Uno Minda EV Systems Private Limited | 0.00% | 0.02 | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| Uno Minda Auto Systems Private Limited | 0.00% | 0.01 | 0.00% | - | 0.00% | - | 0.00% | - |
| **Foreign subsidiary companies** | | | | | | | | |
| Global Mazinkert S.L. | 0.35% | 12.14 | (8.65%) | (30.76) | 31.73% | 7.04 | (6.28%) | (23.72) |
| PT Minda Asean Automotive | 3.03% | 104.22 | 6.92% | 24.63 | 18.43% | 4.09 | 7.60% | 28.72 |
| Sam Global Pte Limited | 1.40% | 48.31 | 2.63% | 9.37 | 51.29% | 11.38 | 5.49% | 20.75 |
| **Non-controlling interest in all subsidiaries** | | | | | | | | |
| **Indian subsidiary companies** | | | | | | | | |
| Minda Kyoraku Limited | (1.23%) | (42.26) | (1.38%) | (4.91) | (0.28%) | (0.06) | (1.32%) | (4.97) |
| Minda Kosei Aluminum Wheel Private Limited | (3.69%) | (126.84) | (5.81%) | (20.67) | (0.80%) | (0.18) | (5.52%) | (20.85) |
| YA Auto (partnership firm) | (0.01%) | (0.49) | (0.95%) | (3.37) | (0.03%) | (0.01) | (0.89%) | (3.38) |
| Minda Katolec Electronic Services Private Limited | (0.12%) | (4.07) | (0.04%) | (0.14) | (0.22%) | (0.05) | (0.05%) | (0.19) |
| Mindarika Private Limited | (4.08%) | (140.45) | (7.43%) | (26.45) | 0.59% | 0.13 | (6.96%) | (26.32) |
| MI Torica India Private Limited | (0.28%) | (9.68) | (0.17%) | (0.60) | - | - | (0.16%) | (0.60) |
| SM Auto (Partnership firm) | (0.02%) | (0.52) | (0.02%) | (0.06) | (0.02%) | (0.00) | (0.02%) | (0.06) |
| Samaira Engineering (Partnership firm) | (0.03%) | (1.05) | (0.13%) | (0.47) | (0.02%) | (0.00) | (0.13%) | (0.47) |
| Auto component (Partnership firm) | (0.01%) | (0.28) | (0.03%) | (0.11) | (0.04%) | (0.01) | (0.03%) | (0.12) |
| **Foreign subsidiary companies** | | | | | | | | |
| UNO Minda Europe GmbH | (0.02%) | (0.65) | (0.02%) | (0.06) | (0.24%) | (0.05) | (0.03%) | (0.11) |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Net assets (total assets minus total liabilities) | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of net assets | Amount | As % of profit or loss | Amount | As % of other comprehensive income | Amount | As % of total comprehensive income | Amount |
| **Associate companies (Investment as per equity method)** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda NexGenTech Limited | 0.00% | 3.34 | 0.24% | 0.87 | 0.00% | - | 0.23% | 0.87 |
| Yogendra Engineering (partnership firm) | 0.00% | 0.08 | 0.00% | - | 0.00% | - | 0.00% | - |
| Auto Components (partnership firm) | - | - | 0.85% | 3.02 | 0.00% | - | 0.80% | 3.02 |
| Kosei Minda Aluminum Company Private Limited | 0.00% | 10.25 | (0.87%) | (3.10) | 0.12% | 0.03 | (0.81%) | (3.07) |
| Strongsun Renewables Private Limited | 0.00% | 2.64 | (0.03%) | (0.10) | 0.00% | - | (0.03%) | (0.10) |
| CSE Dakshina Solar Private Limited | 0.00% | 1.67 | (0.01%) | (0.03) | 0.00% | - | (0.01%) | (0.03) |
| **Joint venture companies (Investment as per equity method)** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | 0.01% | 17.29 | 2.50% | 8.90 | 0.11% | 0.02 | 2.36% | 8.92 |
| Rinder Riduco S.A.S. | 0.00% | 12.22 | 0.48% | 1.70 | (0.95%) | (0.21) | 0.39% | 1.49 |
| ROKI Minda Co. Private Limited | 0.03% | 117.41 | 3.08% | 10.97 | 0.64% | 0.14 | 2.94% | 11.11 |
| Minda TTE DAPS Private Limited | 0.00% | 0.52 | 0.40% | 1.43 | 0.00% | - | 0.38% | 1.43 |
| Minda Onkyo Private Limited | 0.00% | 10.59 | 0.07% | 0.26 | (0.09%) | (0.02) | 0.06% | 0.24 |
| Minda TG Rubber Private Limited | 0.01% | 28.10 | 0.56% | 1.98 | 0.13% | 0.03 | 0.53% | 2.01 |
| Denso Ten Minda India Private Limited | 0.02% | 68.54 | 6.51% | 23.18 | (0.24%) | (0.05) | 6.12% | 23.13 |
| Minda D-Ten India Private Limited | 0.00% | 9.65 | 0.71% | 2.52 | 0.07% | 0.02 | 0.67% | 2.54 |
| Toyoda Gosei Minda India Private Limited | 0.07% | 242.64 | 3.25% | 11.58 | (0.99%) | (0.22) | 3.01% | 11.36 |
| Kosei Minda Mould Private Limited | 0.00% | 5.09 | 0.21% | 0.75 | 0.20% | 0.04 | 0.21% | 0.79 |
| Tokai Rika Minda India Private Limited | 0.02% | 64.59 | 0.35% | 1.23 | 0.97% | 0.22 | 0.38% | 1.45 |
| **Total eliminations** | (29.03%) | (998.18) | (6.58%) | (23.40) | (0.72%) | (0.16) | (6.23%) | (23.56) |
| **TOTAL** | **100.00%** | **3,438.45** | **100.00%** | **355.80** | **100.00%** | **22.19** | **100.00%** | **377.99** |

(All amounts in Indian ₹ Crores, unless otherwise stated)

| For the year ended 31 March 2021 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | Net assets (total assets minus total liabilities) | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
| | As % of net assets | Amount | As % of profit or loss | Amount | As % of other comprehensive income | Amount | As % of total comprehensive income | Amount |
| **Parent Company** | | | | | | | | |
| Minda Industries Limited | 73.02% | 1,647.84 | 57.58% | 118.98 | 18.59% | 2.66 | 55.06% | 121.64 |
| **Subsidiary Companies** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda Kyoraku Limited | 5.26% | 118.75 | 8.69% | 17.95 | 0.56% | 0.08 | 8.16% | 18.03 |
| Minda Kosei Aluminum Wheel Private Limited | 18.89% | 426.36 | 28.99% | 59.91 | 1.96% | 0.28 | 27.24% | 60.19 |
| Minda Storage Batteries Private Limited | 4.99% | 112.66 | (0.96%) | (1.98) | 0.56% | 0.08 | (0.86%) | (1.90) |
| YA Auto Industries (partnership firm) | 0.16% | 3.70 | 4.25% | 8.79 | 0.07% | 0.01 | 3.98% | 8.80 |
| Minda Katolec Electronic Services Private Limited | 0.35% | 7.91 | (3.67%) | (7.58) | 0.35% | 0.05 | (3.41%) | (7.53) |
| Mindarika Private Limited | 10.87% | 245.36 | 16.65% | 34.41 | 2.59% | 0.37 | 15.74% | 34.78 |
| MI Torica India Private Limited | 1.04% | 23.54 | 1.20% | 2.47 | - | - | 1.12% | 2.47 |
| Harita Fehrer Limited | 8.63% | 194.79 | 9.08% | 18.76 | (5.94%) | (0.85) | 8.11% | 17.91 |
| Minda TG Rubber Private Limited | - | - | (1.06%) | (2.18) | - | - | (0.99%) | (2.18) |
| **Foreign** | | | | | | | | |
| Global Mazinkert S.L. | 1.83% | 41.32 | (8.02%) | (16.57) | 7.83% | 1.12 | (6.99%) | (15.45) |
| PT Minda Asean Automotive | 4.02% | 90.63 | 6.82% | 14.09 | 58.56% | 8.38 | 10.17% | 22.47 |
| Sam Global Pte Limited | 1.29% | 29.19 | 2.47% | 5.10 | 14.95% | 2.14 | 3.28% | 7.24 |
| iSYS RTS GmbH | 0.89% | 19.99 | 1.20% | 2.47 | 4.26% | 0.61 | 1.39% | 3.08 |
| **Minority interest in all subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda Kyoraku Limited | (1.71%) | (38.48) | (2.82%) | (5.82) | (0.21%) | (0.03) | (2.65%) | (5.85) |
| Minda Kosei Aluminum Wheel Private Limited | (5.67%) | (127.95) | (8.70%) | (17.98) | (0.56%) | (0.08) | (8.17%) | (18.06) |
| Minda TG Rubber Private Limited | - | - | 0.51% | 1.06 | - | - | 0.48% | 1.06 |
| YA Auto (partnership firm) | (0.08%) | (1.81) | (2.09%) | (4.31) | - | - | (1.95%) | (4.31) |
| Minda Katolec Electronic Services Private Limited | (0.17%) | (3.88) | 1.80% | 3.71 | (0.14%) | (0.02) | 1.67% | 3.69 |
| Mindarika Private Limited | (5.33%) | (120.23) | (8.16%) | (16.86) | (1.40%) | (0.20) | (7.72%) | (17.06) |
| MI Torica India Private Limited | (0.45%) | (10.10) | (0.54%) | (1.12) | - | - | (0.51%) | (1.12) |
| **Foreign** | | | | | | | | |
| iSYS RTS GmbH | (0.18%) | (4.00) | (0.24%) | (0.49) | (0.77%) | (0.11) | (0.27%) | (0.60) |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

| Particulars | Net assets (total assets minus total liabilities) | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of net assets | Amount | As % of profit or loss | Amount | As % of other comprehensive income | Amount | As % of total comprehensive income | Amount |
| **Associate Companies (Investment as per Equity method)** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda NexGenTech Limited | 0.11% | 2.47 | 0.71% | 1.47 | - | - | 0.67% | 1.47 |
| Yogendra Engineering (partnership firm) | 0.00% | 0.08 | - | - | - | - | - | - |
| Auto Components (partnership firm) | 0.18% | 4.14 | 1.94% | 4.01 | - | - | 1.81% | 4.01 |
| Kosei Minda Aluminum Company Private Limited | 0.16% | 3.52 | (2.26%) | (4.67) | - | (0.01) | (2.12%) | (4.68) |
| | | | | | | | | |
| **Joint venture companies (As per equity method)** | | | | | | | | |
| **Indian** | | | | | | | | |
| Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | 0.36% | 8.19 | 1.53% | 3.16 | - | 0.02 | 1.44% | 3.18 |
| Rinder Riduco S.A.S. | 0.46% | 10.40 | 0.86% | 1.77 | - | - | 0.80% | 1.77 |
| ROKI Minda Co. Private Limited | 4.90% | 110.67 | 9.10% | 18.80 | - | 0.12 | 8.56% | 18.92 |
| Minda TTE DAPS Private Limited | - | - | (2.09%) | (4.32) | - | 0.01 | (1.95%) | (4.31) |
| Minda Onkyo Private Limited | 0.16% | 3.56 | (3.97%) | (8.21) | - | (0.03) | (3.73%) | (8.24) |
| Minda TG Rubber Private Limited | 0.76% | 26.10 | (0.56%) | (1.15) | - | 0.06 | (0.49%) | (1.09) |
| Denso Ten Minda India Private Limited | 2.37% | 53.41 | 4.84% | 10.01 | - | 0.04 | 4.55% | 10.05 |
| Minda D-Ten India Private Limited | 0.35% | 7.89 | 0.46% | 0.96 | - | 0.01 | 0.44% | 0.97 |
| Toyoda Gosei Minda India Private Limited | 10.28% | 232.00 | 2.31% | 4.78 | - | 0.15 | 2.23% | 4.93 |
| Kosei Minda Mould Private Limited | 0.19% | 4.34 | 0.07% | 0.14 | - | - | 0.06% | 0.14 |
| Tokai Rika Minda India Private Limited | 2.81% | 63.34 | (0.98%) | (2.03) | | 0.06 | (0.89%) | (1.97) |
| | | | | | | | | |
| **Total eliminations** | (41.11%) | (927.63) | (14.95%) | (30.90) | - | (0.61) | (14.26%) | (31.51) |
| | | | | | | | | |
| **TOTAL** | **100%** | **2,256.57** | **100%** | **206.63** | **101.26%** | **14.31** | **100%** | **220.94** |

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

### 39 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF COMPANIES ACT, 2013

(i) **Details of Benami property:** No proceedings have been initiated on or are pending against any of the group companies for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Wilful defaulter:** None of the group company has been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) **Relationship with struck off companies:** The group has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding as at 31 March 2022 | Balance outstanding as at 31 March 2021 | Relationship with the Struck off company, if any |
|---|---|---|---|---|
| Radhey Trauma Centre Private Limited | Trade Payable | 0.02 | - | None |
| Radhey Trauma Centre Private Limited | Advance to supplier | - | 0.00 | None |
| Sew Eurodrive India Private Limited | Trade Payable | - | - | None |
| Pyrotek India Private imited | Trade Payable | 0.03 | 0.02 | None |
| Sunbeak Auto Private Limited | Trade Receivable | - | 0.00 | None |
| Innovatec Enviro System & Servcies | Trade Payable | - | - | None |
| Sumitron Export Private Limited | Trade Payable | - | - | None |

0.00 represents the amount below ₹ 50,000.

(iv) **Compliance with number of layers of companies:** The each entity in the group has complied with the number of layers prescribed under the Companies Act, 2013

(v) **Compliance with approved scheme of arrangements:** The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) **Utilisation of borrowed funds and share premium:** The Group has not advanced or loaned or invested funds to any other person or entity, 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 group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) **Details of crypto currency or virtual currency:** The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) **Valuation of PP&E, intangible asset and investment property:** The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) **Registration of charges or satisfaction with Registrar of Companies:** There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xi) **Utilisation of borrowings availed from banks and financial institutions:** The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(All amounts in Indian ₹ Crores, unless otherwise stated)

**40** In view of the pandemic relating to COVID - 19, the Group has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of investments, property plant and equipment, intangible assets, right-of-use assets, trade receivables, other current and financial assets, for any possible impact on the Financial statements. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact the financial statements. However, the actual impact of COVID - 19 on the financial statements may differ from that estimated due to unforeseen circumstances and the Group will continue to closely monitor any material changes to future economic conditions.

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The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

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

**per Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : 24 May 2022

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

## Form AOC-1

**Statement containing salient features of the financial statement of subsidiaries / associates / joint ventures (Pursuant to Section 129(3) of the Companies Act, 2013)**

### Part A: Subsidiaries

(All amounts in Indian ₹ Crores, unless otherwise stated)

| S. No. | Name of Enterprise | Reporting Currency | Exchange Rate as on Last Day of Relevant Financial Year | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investment | Turnover/ Other Income | Profit before taxation | Provision for Taxation | Profit after Taxation | Proposed Dividend | % of Shareholding | Country |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Minda Kyoraku Limited | INR | - | 62.01 | 68.42 | 253.42 | 122.99 | - | 214.70 | 20.27 | 5.13 | 15.14 | - | 67.60% | India |
| 2 | Minda Kosei Aluminium Wheel Private Limited | INR | - | 249.58 | 310.44 | 891.06 | 331.04 | - | 816.70 | 99.83 | 27.61 | 72.22 | - | 77.35% | India |
| 3 | Minda Storage Batteries Private Limited | INR | - | 188.60 | (76.82) | 130.63 | 18.85 | - | 142.29 | (0.96) | - | (0.96) | - | 100.00% | India |
| 4 | Minda Katolec Electronics Services Private Limited | INR | - | 35.07 | (26.75) | 135.83 | 127.51 | - | 150.27 | 0.28 | - | 0.28 | - | 51.00% | India |
| 5 | Mindarika Private Limited | INR | - | 10.00 | 255.41 | 499.93 | 234.52 | - | 892.68 | 71.72 | 17.68 | 54.04 | - | 51.00% | India |
| 6 | Harita Fehrer Limited | INR | - | 20.10 | 183.87 | 343.81 | 139.85 | 0.19 | 533.26 | 19.98 | 5.49 | 14.49 | - | 100.00% | India |
| 7 | MI Torica India Private Limited | INR | - | 9.00 | 4.10 | 15.38 | 2.28 | 3.76 | 8.60 | (0.03) | (0.14) | 0.11 | - | 60.00% | India |
| 8 | MITIL Polymer Private Limited* | INR | - | 3.35 | 11.51 | 105.05 | 90.19 | - | 279.73 | 1.88 | 0.48 | 1.39 | - | 60.00% | India |
| 9 | Global Mazinkert S.L. | EURO | 84.66 | 21.62 | (2.49) | 87.07 | 67.94 | 66.66 | - | (1.65) | (0.41) | (1.24) | - | 100.00% | Spain |
| 10 | Clarton Horn, Spain* | EURO | 84.66 | 8.14 | 96.23 | 311.39 | 207.02 | 56.79 | 373.33 | (20.31) | 0.55 | (20.86) | - | 100.00% | Spain |
| 11 | Clarton Horn Morocco SARL* | MAD | 7.84 | 0.92 | 0.46 | 1.38 | - | - | 0.01 | 0.40 | 0.04 | 0.36 | - | 100.00% | Morocco |
| 12 | Clarton Horn Signalkoustic GmBH * | EURO | 84.66 | 0.21 | 1.28 | 1.73 | 0.24 | - | 1.78 | 0.06 | 0.02 | 0.04 | - | 100.00% | Germany |
| 13 | Clarton Horn Mexico* | MXN | 3.82 | 57.20 | (56.52) | 60.96 | 58.89 | - | 57.23 | (8.03) | - | (8.03) | - | 100.00% | Mexico |
| 14 | Light & Systems Technical Centre, S.L., Parque* | EURO | 84.66 | 11.18 | 2.61 | 28.24 | 14.46 | 4.40 | 23.49 | 3.56 | 0.88 | 2.68 | - | 100.00% | Spain |
| 15 | PT Minda Asean Automotive | IDR | 0.0053 | 5.16 | 95.17 | 128.86 | 28.53 | 0.47 | 60.94 | 29.99 | 6.72 | 23.27 | - | 100.00% | Indonesia |
| 16 | PT Minda Trading* | IDR | 0.0053 | 0.48 | 3.88 | 6.88 | 2.52 | - | 18.52 | 1.78 | 0.42 | 1.36 | - | 100.00% | Indonesia |
| 17 | Sam Global Pte Limited | USD | 75.81 | 4.74 | 47.07 | 78.22 | 26.41 | 51.79 | 16.85 | 13.47 | - | 13.47 | - | 100.00% | Singapore |
| 18 | Minda Industries Vietnam Company Limited* | VND | 0.0033 | 3.35 | 25.91 | 43.96 | 14.71 | - | 78.83 | 17.66 | 3.62 | 14.05 | - | 100.00% | Vietnam |
| 19 | Minda Korea Co Limited* | KRW | 0.0624 | 0.62 | (4.60) | 5.48 | 9.45 | - | 11.17 | 3.41 | - | 3.41 | - | 100.00% | Korea |
| 20 | Uno Minda Europe GmbH (formerly known as Minda Delvis GmbH)* | EURO | 84.66 | 0.21 | 20.08 | 201.57 | 181.28 | 59.83 | 110.29 | (2.19) | 1.34 | (3.54) | - | 100.00% | Germany |
| 21 | Uno Minda Systems GmbH (formerly known as Delvis Products GmbH)* | EURO | 84.66 | 0.47 | 5.25 | 176.51 | 170.78 | 0.00 | 322.91 | 7.65 | 5.63 | 2.02 | - | 100.00% | Germany |

(All amounts in Indian ₹ Crores, unless otherwise stated)

| S. No. | Name of Enterprise | Reporting Currency | Exchange Rate as on Last Day of Relevant Financial Year | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investment | Turnover/ Other Income | Profit before taxation | Provision for Taxation | Profit after Taxation | Proposed Dividend | % of Shareholding | Country |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 22 | Creat GmbH (formerly known as Delvis Solutions GmbH)* | EURO | 84.66 | 0.85 | 11.37 | 24.60 | 12.39 | - | 49.41 | (1.17) | (0.02) | (1.15) | - | 100.00% | Germany |
| 23 | UNOMINDA EV Systems Private Limited | INR | - | 0.03 | (0.01) | 0.03 | 0.01 | - | - | (0.01) | - | (0.01) | - | 100.00% | India |
| 24 | UNOMINDA Auto Systems Private Limited | INR | - | 0.01 | - | 0.01 | - | - | - | - | - | - | - | 100.00% | India |
| 25 | YA Auto Industries (partnership firm) | INR | - | - | 3.94 | 14.31 | 10.37 | - | 75.98 | 12.84 | 4.55 | 8.29 | - | 87.50% | India |
| 26 | Samaira Engineering (Partnership Firm) | INR | - | - | 8.43 | 31.87 | 23.44 | - | 175.49 | 24.78 | 8.78 | 16.00 | - | 87.50% | India |
| 27 | S.M. Auto Industries (Partnership firm) | INR | - | - | 4.14 | 6.14 | 2.00 | - | 21.45 | 2.56 | 0.90 | 1.66 | - | 87.50% | India |
| 28 | Auto Component (Partnership firm) | INR | - | - | 5.70 | 18.66 | 12.96 | - | 97.89 | 13.02 | 4.58 | 8.44 | - | 95.00% | India |

*Step down subsidiaries

**Note:** 1. % of shareholding is based on voting power held by the Group

2. Balance sheet items have been translated at the exchange rate on the last day of the relevant financial year.

3. The numbers reported above are based on individual financial statements prepared under local GAAP.

4. 0.00 represents the amount below ₹ 50,000

5. UNOMINDA EV Systems Private Limited and UNOMINDA Auto Systems Private Limited are yet to commence its operations.

6. None of the subsidiary Company has been liquidated or sold during the year.

## Part B: Associates and Joint Ventures

(All amounts in Indian ₹ Crores, unless otherwise stated)

| S. No. | Name of Associates/ Joint Ventures | Latest Balance Sheet date | Share of Associates/Joint Ventures held by the Company on the year end | | | | Profit/Loss for the year* | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | No. of Shares | Amount of Investment in Associates/ Joint Venture (₹ in Crores) | Extend of Holding % | Net Worth Attributable to Shareholding as per Latest Audited Balance Sheet (₹ in Crores) | Considered in Consolidation (₹ In Crores)** | Not Considered in Consolidation | Description of how there is significant influence | Reason why the Associate/ Joint Venture is not consolidated |
| | **Associate** | | | | | | | | | |
| 1 | Minda NexGenTech Limited | 31-Mar-22 | 31,20,000 | 3.12 | 26.00% | 2.05 | 0.87 | - | Shareholding | NA |
| 2 | Kosei Minda Aluminium Company Private Limited | 31-Mar-22 | 2,87,37,371 | 16.49 | 18.31% | 9.86 | (3.10) | - | Shareholding | NA |
| 3 | Strongsun Renewables Private Limited | 31-Mar-22 | 3,41,600 | 2.73 | 28.10% | 2.60 | (0.10) | - | Shareholding | NA |
| 4 | CSE Dakshina Solar Private Limited | 31-Mar-22 | 2,12,000 | 1.7 | 27.71% | 1.62 | (0.03) | - | Shareholding | NA |
| 5 | Yogendra Engineering | 31-Mar-22 | - | 0.08 | 48.90% | 0.06 | - | - | Shareholding | NA |

| S. No. | Name of Associates/ Joint Ventures | Latest Balance Sheet date | Share of Associates/Joint Ventures held by the Company on the year end | | | | Profit/Loss for the year* | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | No. of Shares | Amount of Investment in Associates/ Joint Venture (₹ in Crores) | Extend of Holding % | Net Worth Attributable to Shareholding as per Latest Audited Balance Sheet (₹ in Crores) | Considered in Consolidation (₹ In Crores)** | Not Considered in Consolidation | Description of how there is significant influence | Reason why the Associate/ Joint Venture is not consolidated |
| | **Join Venture** | | | | | | | | | |
| 1 | Minda Westport Technologies Limited (formerly known as Minda Emer Technologies Limited) | 31-Mar-22 | 27,74,700 | 2.91 | 49.99% | 17.86 | 8.90 | - | Joint Venture Agreement | NA |
| 2 | Roki Minda Co. Private Limited | 31-Mar-22 | 4,09,24,800 | 43.08 | 49.00% | 118.07 | 10.97 | - | Joint Venture Agreement | NA |
| 3 | Minda TTE Daps Private Limited | 31-Mar-22 | 49,90,513 | 4.99 | 50.00% | 0.51 | 1.43 | - | Joint Venture Agreement | NA |
| 4 | Minda Onkyo India Private Limited | 31-Mar-22 | 3,98,43,031 | 39.84 | 50.00% | 10.15 | 0.26 | - | Joint Venture Agreement | NA |
| 5 | Minda D-Ten India Private Limited | 31-Mar-22 | 25,44,900 | 3.81 | 51.00% | 9.66 | 2.52 | - | Joint Venture Agreement | NA |
| 6 | Denso Ten Minda India Private Limited | 31-Mar-22 | 3,55,25,000 | 22.29 | 49.00% | 68.51 | 23.18 | - | Joint Venture Agreement | NA |
| 7 | Toyoda Gosei Minda India Private Limited | 31-Mar-22 | 24,37,80,000 | 190.41 | 47.80% | 238.10 | 11.58 | - | Joint Venture Agreement | NA |
| 8 | Kosei Minda Mould Private Limited | 31-Mar-22 | 63,41,645 | 6.34 | 49.90% | 5.56 | 0.75 | - | Joint Venture Agreement | NA |
| 9 | Minda TG Rubber Private Limited | 31-Mar-22 | 2,57,66,730 | 25.81 | 49.90% | 22.19 | 1.98 | - | Joint Venture Agreement | NA |
| 10 | Rinder Riduco S.A.S., Columbia | 31-Mar-22 | 8,50,000 | - | 50.00% | 12.22 | 1.77 | - | Joint Venture Agreement | NA |
| 11 | Tokai Rika Minda India Private Limited | 31-Mar-22 | 6,53,57,143 | 65.45 | 30.00% | 60.75 | 1.23 | - | Joint Venture Agreement | NA |

* Profit/ (loss) based on individual financial statements drawn up as at 31 March 2022, for consolidation purposes

** Represents Group's share of profit/ (Loss)

**Note:** 1. Associates Companies and Joint Ventures have been determined based on the Accounting Standards.

2. There was no Associates or Joint Ventures which were yet to commence its operations.
3. None of the Associates or Joint Ventures has been liquidated or sold during the year.

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**
Chairman and Managing Director
DIN No. 00014942

**Anand Kumar Minda**
Director
DIN No. 00007964

**Sunil Bohra**
Group CFO

**Tarun Kumar Srivastava**
Company Secretary
Membership No. - A11994

Place : Gurugram
Date : 24 May 2022

# Annexure – V A

**SSPA & CO.**
*Chartered Accountants*
1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376
91 (22) 2670 3682
Fax : 91 (22) 2670 3916
Website : www.sspa.in

**STRICTLY PRIVATE & CONFIDENTIAL**

February 06, 2020

**The Board of Directors,**
**Minda Industries Limited**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052,

**The Board of Directors,**
**Minda iConnect Private Limited**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052,

**Sub: Recommendation of fair equity share exchange ratio for the proposed amalgamation of Minda iConnect Private Limited with Minda Industries Limited.**

Dear Sir(s) / Madam(s),

We have been requested by Minda Industries Limited (hereinafter referred to as 'MIL' or the 'Transferee Company') and Minda iConnect Private Limited (hereinafter referred to as 'MIPL' or the 'Transferor Company') to issue a report containing recommendation of fair equity share exchange ratio for the proposed amalgamation of MIPL with MIL with effect from April 01, 2020 ('Appointed Date'). Our engagement letter for the same is dated January 23, 2020.

MIL and MIPL together with their subsidiaries are hereinafter collectively referred to as the 'Companies'.

**1. SCOPE AND PURPOSE OF THIS REPORT**

1.1 We have been informed by the management of MIL and MIPL (hereinafter collectively referred to as the 'Management') that it is considering a proposal for amalgamation of MIPL with MIL (hereinafter referred to as 'Amalgamation') pursuant to the Scheme of Amalgamation between MIL and MIPL and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act 2013, including rules and regulations made thereunder.

1.2 For the purpose of the proposed Amalgamation, we have been appointed by the Management to determine the fair value of equity shares of the Companies and to recommend the fair equity share exchange ratio.

This report is being furnished by SSPA & Co., Chartered Accountants ('SSPA') in the capacity of Chartered Accountants to comply with SEBI guidelines and by Parag S. Ved in the

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individual capacity of Registered Valuer under section 247 of the Companies Act, 2013.

1.3 For the purpose of this valuation, the bases of value is 'relative value' and the valuation is based on 'going concern' premise. For the purpose of this valuation, February 05, 2020 has been considered as the 'Valuation Date'.

1.4 The report sets out our recommendation of the fair equity share exchange ratio and discusses the methodologies and approach considered in the computation of the ratio.

## 2. BRIEF BACKGROUND

### 2.1. MINDA INDUSTRIES LIMITED

2.1.1. MIL was incorporated on September 16, 1992. MIL is a supplier of automotive solutions to original equipment manufacturers. MIL along with its subsidiaries, joint ventures and associates offers a range of products across various verticals of auto components, such as switching systems, acoustic systems and alloy wheels, among other. Its business divisions include Lighting System Division, Switch & Handle Bar System Division, Acoustic Systems Division and Sensors Actuators and Controllers Division. Further, the company has business divisions, which are engaged in production of batteries for two wheelers, fuel cap, compressed natural gas (CNG)/liquid petroleum gas (LPG) kits, blow molding components and aluminum die casting.

The equity shares of MIL are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE')

The issued, subscribed and paid up equity share capital of MIL as on September 30, 2019 is INR 52.44 crores consisting of 26,22,16,965 equity shares of face value of INR 2 each.

The shareholding pattern as on December 31, 2019:

| Name of the shareholder | No. of Shares | % of holding |
|---|---|---|
| Promoter and Promoter Group | 18,56,19,672 | 70.79% |
| Public Shareholders | 7,65,97,293 | 29.21% |
| **Total number of equity shares** | **26,22,16,965** | **100.00%** |

MIL has granted 10,12,259 ESOP under UNO Minda Employee Stock Option Scheme (hereinafter referred to as 'ESOS-2019'). Each ESOP is convertible into one equity share of face value of INR 2 each at an exercise price of INR 325 each. Based on the above, the diluted number of equity shares would work out to 26,32,29,224.

2.1.2. The Board of directors of MIL in its meeting held on February 14, 2019 approved composite scheme of amalgamation of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited and Harita Seating Systems Limited with

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MIL subject to various necessary approvals. The appointed date of the amalgamation as per scheme is April 01, 2019. Further, MIL has filed application before NCLT, New Delhi on September 05, 2019. As on date, the process of NCLT approval is under progress.

Considering, the NCLT approval for the above transaction is pending, the effect of the same have not been considered for the purpose of present valuation exercise.

2.1.3. The Board of directors of MIL in its meeting held on May 16, 2019 approved the composite scheme of merger of Company's wholly owned subsidiaries i.e. M J Casting Limited, Minda Distribution and Services Limited, Minda Auto Components Limited and Minda Rinder Private Limited, with MIL subject to various necessary approvals. The appointed date of the amalgamation as per scheme is April 01, 2019. Further, MIL has filed application before NCLT, New Delhi on September 13, 2019. As on date, the process of NCLT approval is under progress.

## 2.2. MINDA iCONNECT PRIVATE LIMITED

MIPL, incorporated on September 30, 2014, situated at B-64/1, Wazirpur Industrial Area, New Delhi – 110 052. MIPL is a part of UNO Minda group which is primarily engaged in delivering enhanced value to car owners and automobile manufacturers and fleet owners by offering end to end 'connected car' solutions under brand name of 'Carot'.

The issued, subscribed and paid up equity share capital of MIPL as on September 30, 2019 is INR 7.34 crores consisting of 73,37,841 equity shares of face value of INR 10 each.

The shareholding pattern as on December 31, 2019:

| Name of the shareholder | No. of Shares | % of holding |
|---|---|---|
| Bar Investment and Finance Private Limited | 24,14,199 | 32.90% |
| Minda Investments Limited | 23,91,529 | 32.59% |
| Singhal Fincap Limited | 12,35,875 | 16.84% |
| Minda Finance Limited | 11,95,000 | 16.29% |
| Jaibeer Malik | 83,334 | 1.14% |
| Nirmal Kumar Minda | 9,900 | 0.13% |
| Mohd. Waseem Khan | 3,202 | 0.04% |
| Rohit Kumar Mishra | 2,748 | 0.04% |
| Shruti Yadav | 1,954 | 0.03% |
| Harish Chander Dhamija | 100 | 0.001% |
| **Total number of equity shares** | **73,37,841** | **100.00%** |

## 3. SSPA & CO., CHARTERED ACCOUNTANTS

SSPA is a partnership firm, located at 1st Floor, Arjun Building, Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

SSPA & CO. MUMBAI CHARTERED ACCOUNTANTS

**REGISTERED VALUER - MR. PARAG S. VED**

I am a fellow member of The Institute of Chartered Accountants of India ('ICAI') practising as a partner with SSPA. I am also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV/06/2018/10092.

## 4. SOURCES OF INFORMATION

The valuation exercise is based on the following information which has been received from the Management and any information available in the public domain:

(a) Annual Reports / consolidated / standalone audited financial statements of MIL and its Subsidiaries, Joint Ventures and Associates for the financial year ('FY') ended March 31, 2019.

(b) Management certified provisional consolidated financial statements of MIL along with its Subsidiaries, Joint Ventures and Associates for 6 months period ended on September 30, 2019 ('6ME Sep19') and for 6 months period ended on September 30, 2018 ('6ME Sep18').

(c) Audited financial statements of MIPL for FY 2018-19.

(d) Management certified provisional financial statements of MIPL for 6ME Sep19.

(e) Financial projections of MIPL comprising of balance sheet, profit & loss statement and capital expenditure for 6 months period ended on March 31, 2020 ('6ME Mar20') and from FY 2020-21 to FY 2024-25, as provided by the Management.

(f) Other relevant details regarding the Companies such as their history, past and present activities and other relevant information and data.

(g) Such other information and explanations as we required and which have been provided by the Management including Management Representations.

## 5. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

5.1. This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, our report on recommendation of fair equity share exchange ratio of MIL and MIPL is in accordance with ICAI Valuation Standards 2018.

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5.2. This report has been prepared for Board of Directors of MIL and MIPL solely for the purpose of recommending a fair equity share exchange ratio for the proposed amalgamation of MIPL with MIL.

5.3. Valuation is not a precise science and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.

5.4. We have been represented by the Management that the Companies have clear and valid title of assets. No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.

5.5. The draft of the present report (excluding the recommended fair equity share exchange ratio) was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.

5.6. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies/auditors/consultants is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements by the Management may materially affect our valuation analysis/conclusions. Our work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided/obtained was materially misstated/incorrect or would not afford reasonable grounds upon which to base the report.

5.7. Valuation analysis and results are specific to the purpose of valuation and the Valuation Date mentioned in the report and is as per agreed terms of the engagement.

5.8. Our recommendation is based on the estimates of future financial performance as projected by the management of MIPL, which represents their view of reasonable

SSPA & CO * MUMBAI * CHARTERED ACCOUNTANTS expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of MIPL and the industry in which MIPL operate. But such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.

5.9. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

5.10. The fee for the engagement and this report is not contingent upon the results reported.

5.11. Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed Amalgamation with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such proposed Amalgamation.

5.12. Any person/party intending to provide finance/invest in the shares/convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

5.13. The decision to carry out the transaction (including consideration thereof) lies entirely with the Management and our work and our finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.

5.14. This Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required

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under any law. This Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.

5.15. SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the valuation.

**6. VALUATION APPROACH AND METHODOLOGIES**

6.1. For the purpose of valuation, generally following approaches can be considered, viz,

(a) the 'Market' approach;

(b) the 'Income' approach; and

(c) the 'Cost' approach

6.2. The 'Cost' approach represents the value with reference to historical cost of assets owned by the company and the attached liabilities. Such value generally represents the support value in case of profit-making business and thus, has limited relevance in the valuation of the business of a going concern.

In the present case, the business of MIL and MIPL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Cost approach is not adopted for the present valuation exercise.

6.3. **MARKET APPROACH**

6.3.1. Under the Market approach, since the equity shares of MIL are listed and frequently traded on recognized stock exchanges, we have thought fit to consider Market Price ('MP') Method under 'Market' approach for valuation of equity shares of MIL. For the purpose of valuation of MIPL, MP Method has not been adopted since it is not listed on any stock exchange.

6.3.2. **MARKET PRICE METHOD**

The market price of an equity share, as quoted on a stock exchange, is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

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As mentioned earlier, the equity shares of MIL are listed on recognized stock exchanges. Value under this method is determined for MIL considering the share prices observed on NSE for MIL over a reasonable period, to arrive at the value per equity share of MIL as on the Valuation Date.

6.3.3. **COMPARABLE COMPANIES MULTIPLE METHOD**

Under CCM method, the value of equity shares of MIL and MIPL is determined by using multiples derived from valuations of comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully. In the present case, Enterprise Value ('EV') to Earnings before Interest Tax Depreciation and Amortization ('EBITDA') multiples of comparable listed companies are used to arrive at EV of MIL and MIPL.

To the value so arrived, appropriate adjustments have been made for contingent liabilities, loan funds, value of investments, cash and cash equivalents and cash inflow on account of ESOP after considering the tax impact wherever applicable to arrive at the equity value.

The equity value as arrived above is divided by the outstanding/diluted number of equity shares to arrive at the value per share.

6.4. **INCOME APPROACH**

6.4.1. MIL is in cyclical industry and has a number of subsidiaries and associate companies. Due to these factors, the management of MIL has not prepared detailed long-term projections. Therefore, the 'Income' approach is not adopted for the present valuation exercise for MIL.

6.4.2. Under the 'Income' approach, shares of MIPL have been valued using 'Discounted Cash Flow' ('DCF') Method.

6.4.3. Under the DCF method the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working capital are discounted at the Weighted Average Cost of Capital ('WACC'). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

6.4.4. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) interest on loans, if any, (ii) depreciation and amortizations (non-cash charge) and (iii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax.

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6.4.5. WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of the company's cost of equity and debt. Considering an appropriate mix between debt and equity for MIPL, we have arrived at the WACC to be used for discounting the Free Cash Flows of MIPL.

6.4.6. To the value so arrived, appropriate adjustments have been made for loan funds and cash and cash equivalents after considering the tax impact wherever applicable to arrive at the equity value.

The value as arrived above is divided by the outstanding number of equity shares to arrive at the value per share.

## 7. RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of amalgamation of MIPL with MIL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different methods, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of MIL and MIPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of MIL and MIPL to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

7.2. Attention may also drawn to Regulation 158 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulation') which specifies that preferential issue of equity shares to shareholders of an unlisted entity pursuant to a National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said ICDR Regulation. Further, it may be noted that ICDR Regulation 164 specifies the base price for issue of shares on a preferential basis. In the proposed amalgamation unlisted entity i.e. MIPL is amalgamating with MIL, a listed entity. We have therefore, given due cognizance to the base price derived using the formula prescribed under ICDR Regulation after considering the fair value of MIL while determining the swap ratio.

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7.3. As mentioned above, we have considered a combination of 'Market' approach and 'Income' approach and have independently applied methods discussed above, as considered appropriate to arrive at the value per share of MIL and MIPL. The values under each of the approaches is given in the table below:

| Method of Valuation | MIL | | MIPL | |
|---|---|---|---|---|
| | Value per Share (INR) | Weights | Value per Share (INR) | Weights |
| Asset Approach* | NA | NA | NA | NA |
| Income Approach** | NA | NA | 22.61 | 1 |
| Market Approach | | | | |
| - Market Price Method*** | 377.02 | 1 | NA | NA |
| - CCM Method | 358.35 | 1 | 22.81 | 1 |
| **Relative value per share (a) (Rounded Off)** | **367.70** | | **22.70** | |
| | | | | |
| **Value per share based on ICDR Pricing (b)** | **405.74** | | **NA** | |
| | | | | |
| **Relative value per share for the purpose of Exchange Ratio (max (a) or (b))** | **405.74** | | **22.70** | |
| | | | | |
| **Fair Equity Share Exchange Ratio (Rounded off)** | **17.90** | | | |

NA = Not Applied / Applicable

** Since, the businesses of MIL and MIPL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Asset' approach is not adopted for the present valuation exercise.*

*** Since, the management of MIL has not prepared detailed long term projection of MIL, therefore DCF Method under Income approach is not adopted for the present valuation exercise.*

**** Since, the shares of MIPL are not listed on any stock exchange, therefore Market Price Method under Market approach is not adopted for the present valuation exercise.*

7.4. The fair equity share exchange ratio has been arrived on the basis of a relative valuation of equity shares of MIL and MIPL based on the approaches explained herein earlier and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

7.5. In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgement taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

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*'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'*

7.6. In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion:

The fair equity share exchange ratio for the proposed amalgamation of MIPL with MIL is as under:

**10 (Ten) equity share of MIL of INR 2 each fully paid up for every 179 (One Hundred Seventy Nine) equity shares of MIPL of INR 10 each fully paid up**

Thanking you

For **SSPA & CO.**
**Chartered Accountants**
Firm registration number 128851W

SSPA & CO. MUMBAI CHARTERED ACCOUNTANTS

Parag S. Ved

PARAG S. VED REGISTERED VALUER REG. NO. IBBI/RV/06/2018/10092

**CA Parag S. Ved**
ICAI Membership Number: 102432
Registered Valuer No.: IBBI/RV/06/2018/10092
UDIN: 20102432AAAAAA4338

Date: February 06, 2020
Place: Mumbai

# Annexure – V B

SSPA & CO.
*Chartered Accountants*
1st Floor, "Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376 / 77
91 (22) 2670 3682
Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

September 23, 2022

To
**The Board of Directors,**
**UNO Minda Limited**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052

To
**The Board of Directors,**
**Minda iConnect Private Limited**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052

**Re: Addendum to report dated February 06, 2020 in connection with recommendation of fair equity share exchange ratio for proposed amalgamation of Minda iConnect Private Limited with UNO Minda Limited (formerly known as Minda Industries Limited)**

Dear Sir(s)/Madam(s),

This Addendum Letter ('Addendum') is given in addition to our report dated February 06, 2020 ('Previous Report') with regards to recommendation of fair equity share exchange ratio for the proposed amalgamation of Minda iConnect Private Limited (hereinafter referred to as 'MIPL') with UNO Minda Limited (formerly known as Minda Industries Limited) (hereinafter referred to as 'UML') (hereinafter collectively referred to as the 'Companies').

This Addendum has to be read in continuation to our Previous Report and does not have any relevance if read independently. Please refer to our aforesaid report for any other factors and valuation approach, methods, assumptions, exclusions and limitations.

We have been informed by the Management of UML, that the shareholders of UML have approved issue of bonus shares in the ratio of 1:1 (i.e. one equity share for every one share held in UML) through postal ballot on June 29, 2022. Further, UML has made allotment of bonus shares on July 11, 2022.

SSPA & CO. REGISTERED VALUER CHARTERED ACCOUNTANTS

Considering the above, the fair equity share exchange ratio *(after considering the issue of bonus equity shares by UML)* for the proposed amalgamation of MIPL into UML will work out as under:

**20 (Twenty) equity shares of UML of INR 2 each fully paid up for every 179 (One Hundred Seventy-Nine) equity shares of MIPL of INR 10 each fully paid up.**

Thanking you,
Yours faithfully,

**For SSPA & CO.**
**Chartered Accountants**
ICAI Firm registration number: 128851W
IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved

SSPA & CO. ★ REGISTERED VALUER ★ CHARTERED ACCOUNTANTS

**Parag Ved**
**Partner**
Registered Valuer No.: IBBI/RV/06/2018/10092
ICAI Membership No. 102432
Place: Mumbai

## **Annexure – VI**

INGA

**STRICTLY PRIVATE AND CONFIDENTIAL**

February 06, 2020

To,
The Board of Directors,
**Minda Industries Limited,**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052.

To,
The Board of Directors,
**Minda iConnect Private Limited,**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052

Dear Sirs,

**Sub: Fairness Opinion on Share Exchange Ratio recommended by the Valuer pursuant to the Proposed Scheme**

We refer to the engagement letter dated February 06, 2020 ("Engagement Letter") whereby Minda Industries Limited (**"Transferee Company/Minda"**) & Minda iConnect Private Limited (**"Transferor Company /MIPL"**), collectively known as (**"Companies"**) have engaged Inga Ventures Private Limited ("Inga"), inter alia, to provide a fairness opinion to the Companies on the Share Exchange Ratio recommended by the report dated February 06, 2020 ("Share Exchange Ratio Report / Valuation Report") issued by SSPA & Co, Chartered Accountants ("SSPA" or "the Valuer") for the proposed amalgamation of MIPL with Minda as a going concern (**"Proposed Amalgamation"**) vide a scheme of Amalgamation under the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder (**"Proposed Scheme"**).

**Company Background and Purpose**

Minda is a public limited company incorporated on September 16, 1992. It is a supplier of automotive solutions to original equipment manufacturers. Its business divisions include Lighting System Division, Switch & Handle Bar System Division, Acoustic Systems Division and Sensors Actuators and Controllers Division. The Company offers a range of products across various verticals of auto components, such as switching systems, acoustic systems and alloy wheels, among others. The equity shares of Minda are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (BSE and NSE are together hereinafter referred to as the "Stock Exchanges").

Minda iConnect Private Limited is a private company incorporated on September 30, 2014. It is engaged in the business of development of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products & services. MIPL is a part of UNO Minda group which is primarily engaged in delivering enhanced value to car owners and automobile manufacturers and fleet owners by offering end to end 'connected car' solutions under brand name of 'Carot'.

The proposal envisages, inter alia, the Amalgamation of MIPL with Minda, whereby equity shares of Minda will be issued to the shareholders of MIPL. The Valuer has arrived at a swap ratio ("Share Exchange Ratio") of 10 (Ten) equity shares of Minda having a face value of INR 2/- each fully paid up for every 179 (One Hundred & Seventy Nine) equity shares of MIPL having a face value of INR 10/- each fully paid up.

INGA VENTURES PRIVATE LIMITED



Inga Ventures Pvt. Ltd. 1229 | Hubtown Solaris | N. S. Phadke Marg | Opp. Telli Galli | Andheri (E) | Mumbai - 400 069, India
Tel: +91-22-26816000 / 26826800 | Fax: +91-22-26816020 | Website: www.ingaventures.com
CIN : U74999MH2018PTC318359

The Companies in terms of the Engagement Letter have requested us to issue our independent opinion as to the fairness of the Share Exchange Ratio recommended by the valuer ("Fairness Opinion").

**Source of Information**

For arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuer;
2. Annual Reports / consolidated / standalone audited financial statements of Minda and its Subsidiaries, Joint Ventures and Associates for the financial year ('FY') ended March 31, 2019
3. Management certified provisional consolidated financial statements of Minda along with its Subsidiaries, Joint Ventures and Associates for 6 months period ended on September 30, 2019 ('6ME Sep19') and for 6 months period ended on September 30, 2018 ('6ME Sep18')
4. Audited Financial Statements of MIPL for the year ended March 31, 2019
5. Management certified provisional financial statements of MIPL for 6ME Sep19
6. Financial projections of MIPL comprising of balance sheet, profit & loss statement and capital expenditure for six (6) month period ended on March 31, 2020 ('6ME Mar20') and from FY 2020-21 to FY 2024-25, as provided by the management of MIPL
7. Other relevant details regarding Minda & MIPL such as their history, past and present activities, future plans and prospects, existing shareholding pattern, ESOP, income- tax position and other relevant information and data, including information in the public domain
8. Certain explanations and information from the representatives of the Companies

**Scope Limitations**

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and its related parties (holding company / subsidiary /associates /joint ventures etc.) and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies and its related parties.

We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by Companies on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims.

We have assumed that there are no circumstances that could materially affect the business or financial prospects of Companies and its related parties.

We understand that the management of Companies, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Proposed Scheme. Our opinion is necessarily based on financial, economic, market and other

MINDA INDIA VENTURES PRIVATE LIMITED

conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving Companies, its related parties or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatsoever and make no recommendation at all as to Minda's and MIPL's underlying decision to effect the Proposed Amalgamation. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of the Companies with respect to the Proposed Amalgamation. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of Minda will trade following the announcement of the Proposed Amalgamation or as to the financial performance of Minda and MIPL following the consummation of the Proposed Amalgamation. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in Minda or MIPL or any of its related parties.

**Conclusion**

Based on our examination of the Share Exchange Ratio/Valuation Report, such other information / undertakings / representations provided to us by the management of Minda and MIPL and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuer of the Share Exchange Ratio is fair and reasonable for the shareholders of Minda and MIPL which is as under:.

**10 (Ten) Equity shares having a face value of 2/- each fully paid up in Minda for every 179 (One Hundred & Seventy Nine) equity shares having a face value of INR 10/- each fully paid up in MIPL.**

**Distribution of the Fairness Opinion**

The Fairness Opinion is addressed only to the board of Directors of Companies and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of Minda and the Stock Exchanges and also be made part of the explanatory statement to be circulated to the shareholders and/or creditors of the Companies. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga's prior written consent.

However, Minda or MIPL may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to Minda or MIPL promptly intimating Inga in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

INGA VENTURES PRIVATE LIMITED MUMBAI

In no circumstances however, will Inga or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of Inga accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **Inga Ventures Private Limited**

K. K. Shah

**Kavita Shah**

**Partner**

# Annexure – VIA

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October 01, 2022

To,
The Board of Directors,
**UNO Minda Limited,**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052.

To,
The Board of Directors,
**Minda iConnect Private Limited,**
B-64/1, Wazirpur Industrial Area,
New Delhi – 110 052

Dear Sirs,

**Sub: Addendum to Fairness Opinion dated February 06, 2020 on Share Exchange Ratio recommended by the Valuer pursuant to the Proposed Scheme**

This Addendum Letter ('Addendum') is given in addition to our opinion dated February 06, 2020 ('Previous Opinion') on recommendation of fair equity share exchange ratio for the proposed amalgamation of Minda iConnect Private Limited (hereinafter referred to 'MIPL') with UNO Minda Limited (formerly known as Minda Industries Limited) (hereinafter referred to as 'UML') (hereinafter collectively referred to as the 'Companies')

This Addendum has to be read in continuation to our Previous Opinion and does not have any relevance if read independently. Please refer to our aforesaid opinion for any other factors, assumptions, exclusions and limitations.

We have been informed by the Management of UML, that the shareholders of UML have approved issue of bonus shares in the ratio of 1:1 (i.e. one equity share for every one share held in UML) through postal ballot on June 29, 2022. Further, UML has made allotment of bonus shares on July 11, 2022. Further, we have also reviewed addendum to the valuation report issued by the valuer dated September 23, 2022.

Considering the above, the fair equity share exchange ratio (after considering the issue of bonus equity shares by UML) arrived by the valuer for the proposed amalgamation of MIPL into UML has worked out to:
**20 (Twenty) equity shares of UML of INR 2 each fully paid up for every 179 (One Hundred Seventy-Nine) equity shares of MIPL of INR 10 each fully paid up.**

We are of the opinion that the recommendation made by the valuer of the share exchange ratio is fair and reasonable for the shareholders of UML and MIPL.

Yours truly,

For **Inga Ventures Private Limited**

INGA VENTURES PRIVATE LIMITED MUMBAI

**Kavita Shah**

**Partner**



Inga Ventures Pvt. Ltd. 1229 | Hubtown Solaris | N. S. Phadke Marg | Opp. Telli Galli | Andheri (E) | Mumbai - 400 069, India
Tel: +91-22-69886000 | Fax: +91-22-69886020 | Website: www.ingaventures.com
CIN : U67100MH2018PTC318359

# Annexure – VII

Minda Industries Ltd.

UNO MINDA
THINK. INSPIRE. FLOURISH

**21st November, 2020**

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
PJ Towers, Dalai Street, Fort
Mumbai - 400 011

**Ref:** **Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR") of the Scheme of Amalgamation of Minda I Connect Private Limited and Minda Industries Limited and their respective shareholders and Creditors**

**Sub: Submission of "Complaints Report" pursuant to application under Regulation 37 of the SEBI LODR and in terms of Annexure III of SEBI Circular No. CFD/DIL312017/21 dated March 10, 2017 ("SEBI Circular")**

Dear Sir,

This is in reference to our application under regulation 37 of SEBI LODR for the proposed scheme of amalgamation between **Minda I Connect Private Limited** ("Transferor Company") and **Minda Industries Limited** ("Transferee Company/ **the Company**") and their respective shareholders and creditors **("Scheme"),** filed to the Stock Exchange and hosted on your website on **27th October, 2020**.

In this regard, the company is required to submit a **"Complaints report"** within 7 days of the expiry of 21 days from the date of hosting of the draft scheme and related documents on the website of the stock exchange. According, we are enclosing herewith the **"Complaints Report"** from the period of 27th October, 2020 to 16th November, 2020 as per the format prescribed.

Thus, we are requested to take the same on record and provide us the necessary No Objection at the earliest for the purpose of filing the Scheme of Amalgamation to the Hon'ble National Company Law Tribunal.

Thanking you,
Your truly,
For, **Minda Industries Limited**

Minda Industries Limited Delhi

**Tarun Kumar Srivastava**
**Company Secretary & Compliance Officer**

MINDA INDUSTRIES LTD. (Corporate) Village Nawada Fatehpur, P.O. Sikanderpur Badda, Manesar, Distt. Gurgaon, Haryana - 122004, INDIA . T: +91 124 2290427/28, 2290693/94/96 F: +91 124 2290676/95 Email: info@mindagroup.com, www.unominda.com Regd. Office: B-64/1, Wazirpur Industrial Area, Delhi-110052 CIN No for Corporate: L74899DL1992PLC050333

# COMPLAINTS REPORT

**(For the period from 27th October, 2020 till 16th November, 2020)**

## PART A

| Sr. No. | Particulars | Number |
|---|---|---|
| 1. | Number of complaints received directly | NIL |
| 2. | Number of complaints forwarded by Stock Exchange | NIL |
| 3. | Total number of complaints/ comments received (1+2) | NIL |
| 4. | Number of complaints resolved | NIL |
| 5. | Number of complaints pending | NIL |

## PART B

| Sr. No. | Name of Complainant | Date of Complaint | Status (Resolved/ Pending) |
|---|---|---|---|
| NIL | | | |

Yours truly,
For **Minda Industries Limited**

Minda Industries Limited Delhi

**Tarun Kumar Srivastava**
**Company Secretary & Compliance Officer**

MINDA INDUSTRIES LTD. (Corporate) Village Nawada Fatehpur, P.O. Sikanderpur Badda, Manesar, Distt. Gurgaon, Haryana - 122004, INDIA . T: +91 124 2290427/28, 2290693/94/96 F: +91 124 2290676/95 Email: info@mindagroup.com, www.unominda.com Regd. Office: B-64/1, Wazirpur Industrial Area, Delhi-110052 CIN No for Corporate: L74899DL1992PLC050333

# Annexure – VIII

NSE

National Stock Exchange Of India Limited

Ref: NSE/LIST/23930_III December 10, 2020

The Company Secretary
Minda Industries Limited
B - 64/1, Wazirpur Industrial Area,
Delhi-110052

**Kind Attn.: Mr. Tarun Kumar Srivastava**

Dear Sir,

**Sub: Observation Letter for the Draft Scheme of Amalgamation of Minda I Connect Private Limited with Minda Industries Limited and their respective shareholders and Creditors**

We are in receipt of the Draft Scheme of Amalgamation of Minda I Connect Private Limited (Transferor Company) with Minda Industries Limited (Transferee Company) and their respective shareholders and creditors vide application dated May 29, 2020.

Based on our letter reference no Ref: NSE/LIST/23930 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

a. *The Company shall duly comply with various provisions of the Circular.*

b. *The Company to ensure that the financials of the companies involved in the scheme is updated and are not more than 6 months old before filing the same with the Hon'ble National Company Law Tribunal.*

c. *The Company to ensure that to makes appropriate disclosure about the filling of a settlement application with SEBI.*

d. *The Company shall ensure to makes appropriate disclosures about the outstanding debts/loans of Rs. 9.02 crores in the explanatory statement or notice or proposal accompanying resolution to be passed and sent to the shareholders while seeking approval.*

e. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*

f. *The Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*

g. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company obliged to bring the observations to the notice of NCLT.*

This Document is Digitally Signed

Signer: Amit Maruti Phatak
Date: Thu, Dec 10, 2020 18:31:26 IST
Location: NSE

NSE

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

h. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from December 10, 2020 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Amit Phatak
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Amit Maruti Phatak
Date: Thu, Dec 10, 2020 18:31:26 IST
Location: NSE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

**DCS/AMAL/SV/R37/1861/2020-21** **"E-Letter"** **December 14, 2020**

The Company Secretary,
**Minda Industries Limited**
B-64/1, Wazirpur Industrial Area,
New Delhi, Delhi, 110052

Sir/Madam,

**Sub: Observation letter regarding the Scheme of Amalgamation between between Minda Industries Ltd and Minda I Connect Private Limited and their respective shareholders and creditors.**

We are in receipt of the Draft Scheme of Amalgamation by Minda Industries Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated December 03, 2020 (received by the Exchange on December 14, 2020) has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old before filing the same with the Hon'ble National Company Law Tribunal".**
- **"The Company shall ensure to make appropriate disclosure about the filing of a settlement application with SEBI".**
- **"The Company shall ensure to make appropriate disclosures about the outstanding debts/loans of Rs. 9.02 crores in the explanatory statement or notice or proposal accompanying resolution to be passed and sent to the shareholders while seeking approval".**
- **"The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal".**
- **"Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circular."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

**Nitinkumar Pujari**
**Senior Manager**

# Annexure – IX

**Annexure IX**

B S R & Co. LLP
Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase-II
Gurugram – 122 002, India

Telephone: +91 124 7191000
Fax: +91 124 235 8613

Private and confidential

The Board of Directors
Minda Industries Limited,
B-64/1, Wazirpur Industrial Area,
Delhi – 110052

30 June 2020

**Independent Auditor's certificate on the accounting treatment specified in the proposed Scheme of Amalgamation**

1. We, M/s B S R & Co. LLP, the statutory auditors of Minda Industries Limited ('the Company' or 'MIL'), had issued a certificate dated 06 February 2020 with respect to accounting treatment specified in the proposed Scheme of Amalgamation. The Company, in view of additional information requested by National Stock Exchange vide letter no. NSE/LIST/23930 dated 03 June 2020 has requested us to issue a revised certificate in supersession of our earlier certificate dated 06 February 2020, which hereby stands withdrawn.

2. This certificate is issued in accordance with the terms of our engagement letter dated 05 February 2020 with the Company, read with revised engagement letter dated 13 June 2020, for onward submission to National Company Law Tribunal, Securities and Exchange Board of India and Stock exchange(s) in relation to the Scheme of Amalgamation ('Draft Scheme') proposed by the Company in accordance with the requirements of Section 230 to 232 and other relevant provision of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and circulars issued thereunder.

3. The Board of Directors of the Company have approved the Draft Scheme on 6 February 2020.

4. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in Clause 11- Accounting Treatment by the Transferee Company in respects of Assets and Liabilities ('Accounting Treatment') of the Draft Scheme between Minda I Connect Private Limited ('Transferor Company') and Minda Industries Limited ('Transferee Company') and their respective shareholders and creditors in terms of the provisions of Sections 230 to 232 and any other applicable provisions, if any of the Act (to the extent specified) with reference to its compliance with the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles generally accepted in India and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and circulars issued thereunder.

5. For ease of reference, extract of the 'Accounting Treatment' specified in the Draft Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure-I to this certificate.

**Management's Responsibility**

6. The responsibility for preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including applicable Accounting Standards read with rules made thereunder and other accounting principles generally accepted in India as aforesaid, is that of the Board of Directors of the Company. The Management is responsible for the Accounting Treatment of the Draft Scheme in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the proposed Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

7. Our responsibility is only to examine and report whether the accounting treatment referred to in the Draft Scheme referred to above comply with the applicable Accounting Standards and other accounting principles generally accepted in India. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of the financial statements of the Company. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

8. We conducted our examination of the Accounting Treatment specified in the Draft Scheme as reproduced in Annexure-I to the certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

10. Based on our examination and according to the information and explanations given to us, we confirm that the 'Accounting Treatment' (as enumerated in Annexure-I) in the books of Transferee Company proposed in the Draft Scheme is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and circulars issued thereunder, the Indian Accounting Standard (Ind AS) 103 - Business Combinations prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles generally accepted in India.

**Restrictions on use**

11. This certificate is issued at the request of the Company solely for the purpose as stated in paragraph 2 above and should not be used for any other purpose or to be distributed to any other parties without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

*For* **B S R & Co. LLP**
*Chartered Accountants*
ICAI Firm registration number: 101248W/W-100022

RAJIV GOYAL Digitally signed by RAJIV GOYAL Date: 2020.06.30 13:40:45 +05'30'

**Rajiv Goyal**
*Partner*
Membership No.: 094549
UDIN: 20094549AAAAER3086

Place: Gurugram
Date: 30 June 2020

**Annexure-I**

**Relevant extract of 'Accounting Treatment' as per clause 11 of the Draft Scheme of Amalgamation between Minda I Connect Limited ('Transferor Company) and Minda Industries Limited ('Transferee Company') and their respective shareholders and creditors:**

**Clause 11 - ACCOUNTING TREATMENT BY THE TRANSFREE COMPANY IN RESPECT OF ASSETS AND LIABILITIES**

The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combination) as notified under Section 133 of the Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

**For Minda Industries Limited**

Srivastava

Minda Industries Limited
Delhi

**Company Secretary**
Place: Gurugram
30 June, 2020

**Annexure-I**

**Relevant extract of 'Accounting Treatment' as per clause 11 of the Draft Scheme of Amalgamation between Minda I Connect Limited ('Transferor Company) and Minda Industries Limited ('Transferee Company') and their respective shareholders and creditors:**

**Clause 11 - ACCOUNTING TREATMENT BY THE TRANSFREE COMPANY IN RESPECT OF ASSETS AND LIABILITIES**

The Amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard 103 (Business Combination) as notified under Section 133 of the Act, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015.

**For Minda Industries Limited**

**Company Secretary**
Place: Gurugram
30 June, 2020

Minda Industries Limited
Delhi

# Annexure-X

GSTIN: 07AAICS6488H1ZS
CIN: U65923DL2001PLC113191
**3DIMENSION CAPITAL SERVICES LIMITED**
SEBI Registered (Category - I) Merchant Banker
SEBI Registration No. INM000012528
OUR PATH YOUR SUCCESS

To,
The Board of Directors
Minda I Connect Private Limited
B-64/1, Wazirpur Industrial Area,
New Delhi – 110052, India

To,
The Board of Directors
Uno Minda Limited
(Formerly known as Minda Industries Limited)
B-64/1, Wazirpur Industrial Area,
New Delhi – 110052, India

Dear Members of the Board,

**Sub.: Certificate for Due Diligence for Minda I Connect Private Limited in terms of Para 3(a) of Part I (A) of the SEBI circular dated March 10, 2017, read with circular bearing no. CFD/DIL3/CIR/2018/2 dated January 8, 2018.**

The enclosed abridged prospectus of **Minda I Connect Private Limited** has been prepared by the company in terms of Para 3(a) of Part I (A) of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with circular bearing no. CFD/DIL3/CIR/2018/2 dated January 3, 2018 for the draft Scheme of Amalgamation of Minda I Connect Private Limited ("Company" or "Transferor Company") with Uno Minda Limited (Formerly known as Minda Industries Limited) ("Transferee Company") as approved by the board of directors of the respective companies in their meeting held on February 6, 2020. In this respect we confirm -

a. the Abridged Prospectus of Minda I Connect Private Limited contains all the applicable information about the companies as specified in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 as amended upto date.

b. accuracy and adequacy of the abridged prospectus of the above companies.

**For 3Dimension Capital Services Limited**
**(SEBI Registered (Cat-1) Merchant Banker, Regn. No. INM000012528)**

**Place: New Delhi**
**Date: 07-04-2023**

3Dimension Capital Services Limited New Delhi

**Rhydham Kapoor**
**Executive Vice President**

K-37/A, Basement, Kailash Colony, Near Kailash Colony Metro Station, New Delhi-110048
Tel. : +91-11-40196737, E-mail : delhi@3dcsl.com, Website: www.3dcsl.com

UNO MINDA
DRIVING THE NEW

**This is an Abridged Prospectus containing salient features/ information pertaining to Minda I Connect Private Limited, in respect of Scheme of Amalgamation of Minda I Connect Private Limited ("Company" or "Transferor Company") with Uno Minda Limited (Formerly known as Minda Industries Limited) ("Transferee Company") and their respective shareholders and creditors ("the Scheme") under sections 230-232 and other applicable provisions of the Companies Act, 2013.**

**This Abridged Prospectus has been prepared pursuant to Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") issued by Securities and Exchange Board of India ("SEBI") and contain the applicable information specified for Abridge Prospectus as provided in Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") read with SEBI Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022.**

You are encouraged to read this abridged prospectus together with the Scheme and other details available on the website of the Company.

THIS ABRIDGED PROSPECTUS FORMING PART OF THE NOTICE CONSISTS OF 13 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS

You may download the Scheme of Amalgamation from the website of the Stock Exchanges where the equity shares of Uno Minda Limited is listed i.e., www.bseindia.com and www.nseindia.com or from the website of Uno Minda Limited at https://www.unominda.com/investor/composite-scheme-of-amalgamation

MINDA I CONNECT PRIVATE LIMITED
CIN: U35900DL2014PTC272202, Date of Incorporation: 30/09/2014

| Registered Office | Corporate Office | Contact Person | Email and Telephone | Web site |
|---|---|---|---|---|
| B-64/1, Wazirpur Industries Limited, Delhi-110052 | Village Nawada Fatehpur, P.O. Sikanderpur Badda, Manesar, Distt. Gurugram, Haryana-122004 | Mr. Tarun Kumar Srivastava | Telephone No: 011-49373931<br>E-mail ID: tksrivastava@unominda.com | N.A. |

**NAME OF PROMOTER OF THE COMPANY**

- Mr. Nirmal Kumar Minda

**DETAILS OF OFFER TO PUBLIC**

| Type of Issue (Fresh/ OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in Rs) | OFS Size (by no. of shares or by amount in Rs) | Total Issue Size (by no. of shares or by amount in Rs) | Issue Under 6(1)/ 6(2) | Share Reservation | | |
|---|---|---|---|---|---|---|---|
| | | | | | QIB | NII | RII |
| Not Applicable | | | | | | | |

For Minda I Connect Private Limited

Director





3Dimension Capital Services Limited New Delhi

**DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS**

| Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity |
|---|---|---|---|
| Not Applicable | | | |

OFS: Offer for Sale, WACA: Weighted Average Cost of Acquisition

**PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES**

| | |
|---|---|
| Price Band | Not Applicable |
| Minimum Bid Lot Size | Not Applicable |
| Bid/Offer Open On | Not Applicable |
| Bid/Closes Open On | Not Applicable |
| Finalisation of Basis of Allotment | Not Applicable |
| Initiation of Refunds | Not Applicable |
| Credit of Equity Shares to Demat accounts of Allottees | Not Applicable |
| Commencement of trading of Equity Shares | Not Applicable |

**DETAILS OF WACA OF ALL SHARES TRANSACTED OVER THE TRAILING EIGHTEEN MONTHS FROM THE DATE OF RHP**

| Period | Weighted Average Cost of Acquisition (in Rs.) | Upper End of the Price Band is 'X' times the WACA | Range of acquisition price Lowest Price- Highest Price (in Rs.) |
|---|---|---|---|
| Not Applicable | | | |

**DETAILS OF THE SCHEME**
**(POST MODIFICATION IN SHARE SWAP RATIO)**

This is the Scheme of Amalgamation of Minda I Connect Private Limited ("Company" or "Transferor Company") with Uno Minda Limited (formerly known as Minda Industries Limited) (Transferee Company) and their respective shareholders and creditors ("the Scheme") under Sections 230-232 and other applicable provisions of the Companies Act, 2013 with effect from appointed date.

- Pursuant to the Scheme and subject receipt of approvals from Appropriate Authority, all the assets and liabilities of the Transferor Company shall be transferred and vested with the Transferee Company with effect from the Appointed Date.
- In consideration, the Transferee Company shall issue its equity shares to the shareholders of Transferor Company in accordance with the Share Exchange ratio as provided below:

  "20 (Twenty) fully paid equity share of INR 2 (Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred and Seventy-Nine) fully paid-up equity shares of INR 10 (Indian Rupees Ten) each of the Transferor Company held by the said Eligible Members."

For Minda I Connect Private Limited



Director

MINDA I Connect Pvt. Ltd.
Regd. Office: B-64/1 WAZIRPUR, INDUSTRIAL AREA DELHI New Delhi DL 110052; CIN: U35900DL2014PTC272202; Email id: csmipl@mindagroup.com

3Dimension Capital Services Limited New Delhi

- The Transferor Company will be dissolved without being wound up or any further act, instrument or deed.
- The equity shares issued by the Transferee Company under the Scheme are proposed to be listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") ("NSE", together with BSE "Stock Exchanges").

The equity shares of the Transferee Company are listed on Stock Exchanges. For the purposes of obtaining approval under Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the designated stock exchange was National Stock Exchange of India Limited (NSE).

(Capitalised terms not defined and used herein shall have their meaning as ascribed in the Scheme).

**GENERAL RISK**

Shareholders are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking an investment decision, shareholders must rely on their own examination of the companies involved in the Scheme, including the risks involved. The equity shares being issued under the Scheme have not been recommended or approved by the Securities and Exchange Board of India (SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the readers is invited to the sections titled "Internal Risk Factors" on page 11 & 12 of this Abridged Prospectus.

**PROCEDURE**

- This Abridged Prospectus is made in compliance with the Regulation 37 of the Listing Regulations read along with the SEBI Circular and Part E of Schedule VI of the ICDR Regulation and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022.
- The board of directors of Transferor Company at their meeting held on February 06, 2020 considered and approved the Scheme and the Board of Director of Transferee Company, at their board Meeting held on February 06, 2020 has approved the Scheme ("Original Scheme").
- National Stock Exchange of India ("NSE") has pursuant to its letter dated December 10, 2020 provided its observation letter with "no-objection" to the proposed Scheme of Amalgamation.
- For the purposes of obtaining approval under Regulation 37 of the Listing Regulations, the designated stock exchange is NSE.
- During the pendency of the Original Scheme at the Hon'ble National Company Law Tribunal (" NCLT") at second motion application, the Transferee Company has made bonus issue of equity shares to its shareholders in the proportion of 1:1 i.e. 1 New Equity Share for every 1 existing Equity Share held by shareholders of Transferee Company. The said bonus issue was recommended by Board of the Directors of the Transferee Company on May 24, 2022 and approved by equity shareholders of the Transferee Company through postal ballot on June 29, 2022.

For Minda I Connect Private Limited

Director





3Dimension Capital Services Limited
New Delhi

With the said bonus issue of shares, the number of shares in the Transferee Company were doubled. This necessitated the equivalent adjustment/modification in the exchange ratio mentioned in the Original Scheme.

Post that Board of Directors of the Transferor Company and Transferee Company on September 26, 2022 approved the amendment in the Clause 10.1 of the Scheme (as stated above) and accordingly the modified Scheme, after considering the addendum to the valuation report dated September 23, 2022 issued by M/s SSPA & Co, Chartered Accountants for adjustment of bonus issue made by Transferee Company.

- The Scheme of Amalgamation remains subject to the receipt of approval from the respective shareholders and creditors, relevant National Company Law Tribunal(s) (NCLT) and such other approvals, permissions and sanctions of regulatory and other authorities as may be necessary.
- The Scheme of Amalgamation shall be acted only if the votes cast by the public shareholders of the Transferee Company in favour of the Scheme are more than the number of votes cast by public shareholders of the Transferee Company against it, in accordance with the SEBI Circular.

**PRICE INFORMATION**

Not applicable since the proposed offer is not for the public shareholders.

**ADDITIONAL DETAILS**

| | |
|---|---|
| (a) Book running lead managers: | Not Applicable |
| (b) Syndicate members: | Not Applicable |
| (c) Registrar to the issue: | Not Applicable |
| (d) Statutory auditor: | M/s. A J H & CO. Chartered Accountants (Firm Registration No. 005302N), Address: 125, Spaze I- Tech Park, Tower B-3, Sector-49, Sohna Road, Gurgaon, 122001. |
| (e) Merchant Banker: | 3Dimension Capital Services Limited (SEBI Registered (Cat-1) Merchant Banker) SEBI Registration No. INM000012528<br>Address: K-37/A, Basement, Kailash Colony, Near Kailash Colony Metro Station, New Delhi-110048<br>Tel.: +91-11-40196737, E-mail: delhi@3dcsl.com, Website: www.3dcsl.com |
| (f) Credit rating agencies: | Not Applicable |
| (g) Debenture trustee: | Not Applicable |
| (h) Self certifies syndicate banks: | Not Applicable |
| (i) Non syndicate registered brokers: | Not Applicable |
| | Not Applicable |

For Minda I Connect Private Limited

Director



MINDA I Connect Pvt. Ltd.
Regd. Office: B-64/1 WAZIRPUR, INDUSTRIAL AREA DELHI New Delhi DL 110052; CIN: U35900DL2014PTC272202; Email id: csmipl@mindagroup.com

3Dimension Capital Services Limited New Delhi

| | |
|---|---|
| (j) Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents. Depository participants and stockbrokers who call accept application from investor (as applicable): | |

**PROMOTERS OF TRANSFEROR COMPANY**

| S. No. | Name | Individual/ Corporate | Experience & Educational Qualification |
|---|---|---|---|
| 1. | Mr. Nirmal Kumar Minda | Individual | Experience:<br>He is an industrialist with rich business experience of more than four decades in the Auto Components Sector. He has been instrumental in forging new alliances and joint venture partnership with globally renowned names. He leads the UNO MINDA Group currently with various laurels to his name. He has been conferred with 'EY Entrepreneur of the Year' Award in Manufacturing Category in 2019. The Group grew manifold under his dynamic leadership, established footprints globally and received numerous awards and recognitions. He has also held many offices in bodies like CII as Vice Chairman, Haryana State Council & Special Invitee, Northern Regional Council. He also served as the Chairman of ACMA, Northern Region for three consecutive years, followed by Vice President for 2016-17, President of ACMA for the year 2017-18.<br><br>Educational Qualification: B.SC |

**BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY**

**Company Overview**

Minda I Connect Private Limited, the ("Company" or "Transferor Company") is a private company incorporated on 30th Day of September, 2014 under the provisions of the Companies Act, 2013 bearing CIN U35900DL2014PTC272202 and is having its registered office at B-64/1 Wazirpur, Industrial Area, New Delhi – 110 052.

For Minda I Connect Private Limited

Director



MINDA I Connect Pvt. Ltd.
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3Dimension Capital Services Limited New Delhi

The Transferor Company is engaged inter alia in the business of development of software, hardware and designing, programming in automotive mobility and Information technology segment, Automation providing product and solution.

**Product/Service Offering: (Revenue segmentation by product/service offering)**

The Transferor Company is in business of development of software, hardware, designing, programming in automotive mobility and information technology segment and automation providing products. Transferor Company Brand – I Connect and Carot have been established as a leading telematics brand in India (HW and IT).

**Geographies Served: (Revenue segmentation by geographies)**

India

**Key Performance Indicators**

| S. No. | Particulars | As per March 31, 2022 | As per March 31, 2021 | As per March 31, 2020 |
|---|---|---|---|---|
| 1 | Total income from operations (net) | 31,14,80,358 | 24,67,91,410 | 26,01,32,787 |
| 2 | Net Profit / (Loss) after tax and extraordinary items | (74,49,048) | (3,35,22,699) | (14,05,97,976) |
| 3 | Net worth | (13,78,29,468) | (13,01,76,399) | (9,70,41,379) |
| 4 | Basic earnings per share (Rs.) | (1.05) | (4.52) | (19.27) |
| 5 | Diluted earnings per share (Rs.) | (1.05) | (4.52) | (19.27) |

**Client Profile or Industries Served**

Auto/Auto Component Industries

**Revenue segmentation in terms of top 5/10 clients or Industries**

Revenue from Top 5 customers as on 31.12.2022: Rs. 36.57 Lacs

**Intellectual Property, if any**

Telematic Solutions. Company's brand i.e. I Connect and Carot have been established as a leading telematics brand in India (HW and IT)

**Market Share**

N.A.

For Minda I Connect Private Limited

Director





3Dimension Capital Services Limited New Delhi

**Manufacturing plant, if any**

Locations for operations are:

1. First Floor, Gat No.427/10, 427/5, Village MahalungeTal. Khed, Distt. Pune, Maharashtra-410501;
2. 162-164, 1st Floor, JMD Megapolis, Sohna Road, Gurgaon, Haryana-122018; and
3. House No. .102/103 Safexpress Private Limited Nemili A Kanchipuram, Tamil Nadu-602105

**Employee Strength:**

Approx.-40 (on Roll and Contractual)

**BOARD OF DIRECTORS**

| S. No. | Names of Directors | Designation | DIN | Experience & Educational Qualification | Other Directorships |
|---|---|---|---|---|---|
| 1 | Mr. Nirmal Kumar Minda | Non-Executive Director | 00014942 | Mr. Nirmal K Minda is Bachelor of Science (B.SC) and has rich experience for more than 42 years in auto components industry. He is instrumental and driving force for growth of the Company as well as UNO Minda Group. | Indian Companies<br>1. Uno Minda Limited<br>2. Kosei Minda Aluminum Company Private Limited<br>3. Minda Kosei Aluminum Wheel Private Limited<br>4. Minda Automotive Limited<br>5. Shreeaumji Real Estate SEZ Private Limited<br>6. Shreeaumji Infrastructure And Projects Private Limited<br>7. Mindarika Private Limited<br>8. Shreeaumji Infrastructure Private Limited<br>9. Minda Mindpro Limited<br>10. Minda Spectrum Advisory Limited<br>11. Minda International Limited |
| 2 | Mr. Sanjay Jain | Director | 03364405 | Mr. Sanjay Jain is a Chartered Accountant and has a rich experience more than | Indian Companies<br>1. Uno Minda Auto Technologies Private Limited |

For Minda I Connect Private Limited



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| | | | | | |
|---|---|---|---|---|---|
| | | | | 26 Years in Corporate Finance, Accounting & Taxation and has served in India and abroad in automotive industries. | 2. Uno Minda Auto Innovations Private Limited<br>3. Minda Nexgentech Limited<br>4. Minda Automotive Limited<br>5. Minda Storage Batteries Private Limited<br>6. Unominda Auto Systems Private Limited<br>7. Minda International Limited |
| 3 | Mr. Arun Kumar Arora | Director | 09298156 | Mr. Arun Arora has a rich experience of more than 28 Years' experience in managing Engineering operations involving design & development activities and streamlining processes to facilitate smooth production process & enhance productivity. | **Indian Companies**<br>1. Unominda EV Systems Private Limited |

**SCHEME OF AMALGAMATION**

It is proposed to consolidate the operations/ business of the Transferor Company and the Transferee Company into a single company by amalgamation of the Transferor Company with the Transferee Company pursuant to a Scheme of Amalgamation under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013.

The amalgamation of the Transferor Company with the Transferee Company would result, inter-alia, in the following benefits :-

a) The Transferor Company and Transferee Company are engaged in auto component business and both companies are of the same group;

b) The Transferor Company is a developer of software, hardware and designing, programming in automotive mobility and information technology segment, automation providing products and solutions and consultancy services incidental thereto;

c) The Transferor Company is in business of development of software, hardware, designing, programming in automotive mobility and information technology segment and automation

For Minda I Connect Private Limited

Director





Dimension Capital Services Limited New Delhi providing products. Transferor Company Brand – I Connect and Carot have been established as a leading telematics brand in India (HW and IT);

d) The Transferee Company desires to expand its business in automotive components and this amalgamation would lead to improved customer connect and enhanced market share across product segments relating to auto sector;

e) The Transferor Company's products like software, hardware, designing, programming in automotive mobility and information technology segment will synergize well with the product groups of the Company;

f) The amalgamation will help the Transferee Company in creation of platform for a new business/ product and to act as a gateway for growth and will ensure better operation management and expansion of business operations;

g) By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as One-stop solution for wide range of components / products to the original equipment manufacturers (OEMs) and others;

h) The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable companies to realise benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximising stakeholder value;

i) Opportunities for employees of the Transferee Company and Transferor Company to grow in a wider field of business;

j) Improvement in competitive position of the Transferee Company as a combined entity and also access to marketing networks/customers;

k) The Scheme enables the Transferee Company to have control over the operations of the Transferor Company;

l) The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.

Upon the Modified Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall to Eligible Members as on the Record Date, issue and allot to such Eligible Members, in the following ratio:

"20 (Twenty) fully paid equity share of INR 2 (Indian Rupees Two) each of the Transferee Company for every 179 (One Hundred and Seventy Nine) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of the Transferor Company held by the said Eligible Members";

For Minda I Connect Private Limited

Director



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3Dimension Capital Services Limited
New Delhi

The appointed date means the same date as the Effective Date or such other date that is mutually agreed in writing between the Transferor Company and the Transferee Company.

**Details of means of finance:** Not applicable

**Details and reason for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public/rights issues, if any, of the Transferor Company in the preceding 10 years:** Not applicable

**Names of the monitoring agency:** Not applicable

**Terms of issuance of convertible securities, if any:** Not applicable

**Pre-Scheme Shareholding pattern of the Company as on March 31, 2023**

| S. No. | Particulars | No. of shares | % of Holding |
|---|---|---|---|
| 1 | Promoter & Promoter Group | 72,46,503 | 98.76 |
| 2 | Public | 91,338 | 1.24 |
| | **Total** | **73,37,841** | **100.00** |

**Number/amount of equity shares proposed to be sold by selling shareholders, if any:** Not applicable

**AUDITED FINANCIALS**

**Standalone financial information**

Amt. in INR

| S. No. | Particulars | As per March 31, 2022 | As per March 31, 2021 | As per March 31, 2020 | As per March 31, 2019 | As per March 31, 2018 |
|---|---|---|---|---|---|---|
| 1 | Total income from operations (net) | 31,14,80,358 | 24,67,91,410 | 26,01,32,787 | 12,38,36,585 | 9,87,61,862 |
| 2 | Net Profit / (Loss) before tax and extraordinary items | (74,49,048) | (3,35,22,699) | (14,05,97,976) | (5,12,89,346) | 11,28,925 |
| 3 | Net Profit / (Loss) after tax and extraordinary items | (74,49,048) | (3,35,22,699) | (14,05,97,976) | (5,12,89,346) | 11,28,925 |
| 4 | Equity Share Capital | 7,33,78,410 | 7,33,78,410 | 7,33,78,410 | 4,86,60,910 | 4,86,60,910 |

For Minda I Connect Private Limited

Director



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3Dimension Capital Services Limited New Delhi

| | | | | | | |
|---|---|---|---|---|---|---|
| 5 | Reserves and Surplus | (21,12,07,878) | (20,35,54,809) | (17,04,19,789) | (8,80,74,398) | (3,67,85,053) |
| 6 | Net worth | (13,78,29,468) | (13,01,76,399) | (9,70,41,379) | (3,94,13,488) | 1,18,75,857 |
| 7 | Basic earnings per share (Rs.) | (1.05) | (4.52) | (19.27) | (10.55) | 0.23 |
| 8 | Diluted earnings per share (Rs.) | (1.05) | (4.52) | (19.27) | (10.55) | 0.23 |
| 9 | Return on net worth (%) | N.A | N.A | N.A | NA | 9.51% |
| 10 | Net asset value per share (Rs.) | (18.78) | (17.74) | (13.22) | (8.09) | 2.44 |

Note: The Company does not have any subsidiaries and therefore the requirement to provide consolidated financial results is NOT APPLICABLE in the present case.

**INTERNAL RISK FACTORS**

The Transferor Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis.

Risk evaluation and management is an ongoing process, as a process, risks associated with the business are identified and prioritized based on the overall risk appetite, tolerance, strategy, severity and taking into account the current and prospective economic and financial environment of Transferor Company.

Process owners are identified for each risk and matrix are developed for monitoring through a harmonizing financial, credit and operational reporting systems.

For Minda I Connect Private Limited

Director



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3Dimension Capital Services Limited New Delhi

Risks and mitigation

The below mentioned risks are the top 5 internal risk factors:

| Risk | Mitigation Plan |
|---|---|
| Connected Vehicle feature adoption delay due to increase in car cost (semiconductor price increase) | - Prioritize the 2WHL connected program as adoption is increasing due to EV<br>- Work with industry bodies for E-call legislation |
| Uncertainty in E-component availability due to global semiconductor crisis | - Work with customers for extended schedules (over 2 years)<br>- Engage with global team of key semiconductor suppliers to keep the cost and supply risk under check |
| High attrition of IT Engineering talent for product development | - Work with HR to create dedicated interventions / policies to hire and retain IT engineering talent |
| Competition Risk | The Company ensures close cooperation with its key customers on product development. It has implemented strict product quality controls in order to reduce the likelihood of substitution. Further the proposed merger will enable Company to combine its resources with resources of Transferee Company and which will provide a strong platform to drive growth and market reach. |
| Pandemic Risk | The Company is continuously and closely monitoring the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimise the impact of this unprecedented situation. |

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

A. Total number of outstanding litigations against the company and amount involved: NIL
B. Brief details of top 5 material outstanding litigations against the company and amount involved: NIL
C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters/ Group companies in last 5 financial years including outstanding action, if any: NIL
D. Brief details of outstanding criminal proceedings against Promoters: NIL

**DECLARATION BY THE TRANSFEROR COMPANY**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations

For Minda I Connect Private Limited

Director





Dimension Capital Services Limited New Delhi issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may he have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**For Minda I Connect Private Limited**

For Minda I Connect Private Limited

Sanjay Jain
Director
DIN: 03364405
Date: April 07, 2023

Director



MINDA I Connect Pvt. Ltd.
Regd. Office: B-64/1 WAZIRPUR, INDUSTRIAL AREA DELHI New Delhi DL 110052; CIN: U35900DL2014PTC272202; Email id: csmipl@mindagroup.com

Dimension Capital Services Limited
New Delhi

## Annexure-XI

**Pre- Shareholding Pattern-Minda I Connect Private Limited**

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| | | |
|---|---|---|
| 1. | Name of Entity: Minda I Connect Private Limited | |
| 2. | Scrip Code/Name of Scrip/Class of Security: N.A. | |
| 3. | Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) | |
| | a. | If under 31(1)(b) then indicate the report for Quarter ending: 24 March, 2023 |
| | b. | If under 31(1)(c) then indicate date of allotment/extinguishment |
| 4. | Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:- | |

| | Particulars | Yes* | No* |
|---|---|---|---|
| 1 | Whether the Listed Entity has issued any partly paid up shares? | | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities or Warrants? | | No |
| 3 | Whether the Listed Entity has any shares against which depository receipts are issued? | | No |
| 4 | Whether the Listed Entity has any shares in locked-in? | | No |
| 5 | Whether any shares held by promoters are pledge or otherwise encumbered? | | No |

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

For Minda I Connect Private Limited
Srivastava
Authorised Signatory

**Table I - Summary Statement holding of specified securities**

| Category | Category of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= (VII)+(X) | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 5 | 7246503 | 0 | 0 | 7246503 | 98.76 | 7246503 | 0 | 7246503 | 98.76 | 0 | 98.76 | 0 | 0 | 0 | 0 | 0 |
| (B) | Public | 5 | 91338 | 0 | 0 | 91338 | 1.24 | 91338 | 0 | 91338 | 1.24 | 0 | 1.24 | 0 | 0 | NA | NA | 0 |
| (C) | Non Promoter - Non Public | | | | 0 | | | | 0 | | | 0 | | | 0 | NA | NA | |
| (C1) | Shares Underlying DRs | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 |
| (C2) | Shares Held By Employee Trust | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 |
| | Total | 10 | 7337841 | 0 | 0 | 7337841 | 100.00 | 7337841 | 0 | 7337841 | 100.00 | 0 | 100.00 | 0 | 0 | 0 | 0 | 0 |

For Minda I Connect Private Limited

J Rivastava

Authorised Signatory

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

| | Category & Name of the shareholders | p | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | | (II) | (III) | (IV) | (V) | (VI) | (IV)+(V)+ | % of | (IX) | | | | (X) | (VII)+(X) As | (XII) | | (XIII) | | (XIV) |
| 1 | Indian | | | | | | | | | | | | | | | | | | | |
| (a) | Family | | | 1 | 9900 | 0 | 0 | 9900 | 0.13 | 9900 | 0 | 9900 | 0.13 | 0 | 0.13 | 0 | 0 | 0 | 0 | 0 |
| | Nirmal Kr Minda | Promoters | 10J | 1 | 9900 | 0 | 0 | 9900 | 0.13 | 9900 | 0 | 9900 | 0.13 | 0 | 0.13 | 0 | 0 | 0 | 0 | 0 |
| (b) | Central Government / State Government(s) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0 | 0 | 0 | 0 |
| (c) | Financial Institutions / Banks | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0 | 0 | 0 | 0 |
| (d) | Any Other (Specify) | | | 4 | 7236603 | 0 | 0 | 7236603 | 98.62 | 7236603 | 0 | 7236603 | 98.62 | 0 | 98.62 | 0 | 0 | 0 | 0 | 0 |
| | Bodies Corporate | | | 4 | 7236603 | 0 | 0 | 7236603 | 98.62 | 7236603 | 0 | 7236603 | 98.62 | 0 | 98.62 | 0 | 0 | 0 | 0 | 0 |
| | Minda Investments Ltd. | Promoter Group | AAACL1433F | | 2391529 | 0 | 0 | 2391529 | 32.59 | 2391529 | 0 | 2391529 | 32.59 | 0 | 32.59 | 0 | 0 | 0 | 0 | 0 |
| | Singhal Fincap Ltd. | Promoter Group | AAFCS9851F | | 1235875 | 0 | 0 | 1235875 | 16.84 | 1235875 | 0 | 1235875 | 16.84 | 0 | 16.84 | 0 | 0 | 0 | 0 | 0 |
| | Minda Finance Ltd | Promoter Group | AAACM8882F | | 1195000 | 0 | 0 | 1195000 | 16.29 | 1195000 | 0 | 1195000 | 16.29 | 0 | 16.29 | 0 | 0 | 0 | 0 | 0 |
| | Bar Investments & Finance Pvt. Ltd | Promoter Group | AAACB0955E | | 2414199 | 0 | 0 | 2414199 | 32.90 | 2414199 | 0 | 2414199 | 32.90 | 0 | 32.9 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (A)(1) | | | 5 | 7246503 | 0 | 0 | 7246503 | 98.62 | 7246503 | 0 | 7246503 | 98.75 | 0 | 98.75 | 0 | 0 | 0 | 0 | 0 |
| 2 | Foreign | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals / Foreign Individuals) | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Government | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Institutions | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Foreign Portfollo Investor | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) | Any Other (Specify) | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (A)(2) | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - | - | - | 0 |
| | Promoter And Promoter Group (A)= (A)(1)+(A)(2) | | | 5 | 7246503 | 0 | 0 | 7246503 | 98.75 | 7246503 | 0 | 7246503 | 98.75 | 0 | 98.75 | - | - | - | - | 0 |

**Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.**

For Minda I Connect Private Limited

Authorised Signatory

**Note :**

**(1) PAN would not be displayed on website of Stock Exchange(s)**

**(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**

Table III - Statement showing shareholding pattern of the Public shareholder

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise | | Number of equity shares held in dematerialised form | Sub-categorization of shares | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | | Shareholding(No. of shares) under | | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | | Sub-category(i) | Sub-category(ii) | Sub-category(iii) |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV)+(V)+(VI) | (VIII) As a % of (A+B+C2) | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of (A+B+C2) | (XII) | | (XIII) | | (XIV) | (XV) | | |
| 1 | Institutions (Domestic) | | 0 | | | | | | | | | | | | | | | | | | | |
| (a) | Mutual Fund | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (b) | Venture Capital Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (c) | Alternate Investment Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (d) | Banks | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (e) | Insurance Companies | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (f) | Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (G) | Companies | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (h) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (i) | NBFCs registered with RBI | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (j) | Other Financial Institutions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (k) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| | Sub Total (B)(1) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| 2 | Institutions (Foreign) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (a) | Foreign Direct Investment | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (b) | Investors | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (c) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (d) | Foreign Portfolio Investors Category I | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (e) | Foreign Portfolio Investors Category II | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (f) | Depositories(holding DRs) (balancing figure) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |

For Minda I Connect Private Limited

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (g) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| | Sub Total (B)(2) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| 3 | Central Government/ State Government(s) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (a) | Central Government / President of India | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (b) | Governor | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (C) | or Bodies Corporate where Central / State Government is a promoter | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| | Sub Total (B)(3) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| 4 | Non-Institutions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (a) | Associate companies / Subsidiaries | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (b) | (excluding Independent Directors and nominee Directors) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (C) | Key Managerial Personnel | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (D) | (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (E) | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust" | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (f) | Investor Education and Protection Fund (IEPF) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | | | |
| (g) | i. Resident Individual holding nominal share capital up to Rs. 2 lakhs. | | 5 | 91338 | 0 | 0 | 91338 | 1.24 | 91338 | 0 | 91338 | 1.24 | 0 | 1.24 | 0 | 0.000 0 | NA | NA | 0 | 0 | 0 | 0 |
| (h) | holding nominal share capital in excess of Rs. 2 lakhs. | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (i) | Non Resident Indians (NRIs) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (j) | Foreign Nationals | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (k) | Foreign Companies | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (l) | Bodies Corporate | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| (m) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| | Trusts | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| | Body Corp-Ltd Liability Partnership | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |

For Minda Connect Private Limited

Authorised Signatory

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Hindu Undivided Family | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| | Clearing Member | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |
| | Sub Total (B)(4) | | 5 | 91338 | 0 | 0 | 91338 | 1.24 | 91338 | 0 | 91338 | 1.24 | 0 | 1.24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (B)= (B)(1)+(B)(2)+(B)(3)+b(4) | | 5 | 91338 | 0 | 0 | 91338 | 1.24 | 91338 | 0 | 91338 | 1.24 | 0 | 1.24 | 0 | 0 | NA | NA | 0 | 0 | 0 | 0 |

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

| No. of shareholders | No. of S | % |
|---|---|---|
| 0 | | |

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

| No. of shareholders | No. of |
|---|---|
| 0 | 0 |

Note
(1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance
(4) Categorization and disclosure of each shareholder category should be carried out in the order prescribed in the above format. If a shareholder is falling under more
(5) Sub-categorization of shares under column no.(XV) will be based on shareholding(no. of shares)under the following sub-categories:
(i) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(i.e. Director)on the board
(ii) Shareholder who have entered into shareholder agreement with the listed entity.
(iii) Shareholders acting as persons in concert with promoters.

For Mindtel Connect Private Limited
Srivastava
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**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % | (IX) | | | | (X) | (XI)= (VII)+(X) As a | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/DR Holder | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 |
| 2 | Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 |
| | Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA | NA | 0 |

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

For Minda I Connect Private Limited

Shrivastava

Authorised Signatory

Pre-Shareholding Pattern-Uno Minda Limited

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| | | |
|---|---|---|
| 1. | Name of Listed Entity: Uno Minda Limited | |
| 2. | Scrip Code/Name of Scrip/Class of Security: 532539 | |
| 3. | Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) | |
| | a. | If under 31(1)(b) then indicate the report for Quarter ending |
| | b. | If under 31(1)(c) then indicate date of allotment/extinguishment |
| 4. | Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:- | |

| | Particulars | Yes* | No* |
|---|---|---|---|
| 1 | Whether the Listed Entity has issued any partly paid up shares? | | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities or Warrants? | | No |
| 3 | Whether the Listed Entity has any shares against which depository receipts are issued? | | No |
| 4 | Whether the Listed Entity has any shares in locked-in? | | No |
| 5 | Whether any shares held by promoters are pledge or otherwise encumbered? | | No |

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

Uno Minda Limited
Delhi

Srivastava

Table I - Summary Statement holding of specified securities

| Category | Category of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % of | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 11 | 401431394 | 0 | 0 | 40143139 | 70.0562 | 401431394 | 0 | 40143139 | 70.0562 | 0 | 70.0562 | 0 | 0.0000 | 0 | 0.0000 | 401431394 |
| (B) | Public | 126052 | 171582320 | 0 | 0 | 17158232 | 29.9438 | 171582320 | 0 | 17158232 | 29.9438 | 0 | 29.9438 | 0 | 0.0000 | NA | NA | 169655025 |
| (C) | Non Promoter - Non Public | | | | 0 | | | | 0 | | | 0 | | | 0.0000 | NA | NA | |
| (C1) | Shares Underlying DRs | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| (C2) | Shares Held By Employee Trust | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total | 126063 | 573013714 | 0 | 0 | 57301371 | 100.0000 | 573013714 | 0 | 57301371 | 100.0000 | 0 | 100.0000 | 0 | 0.0000 | 0 | 0.0000 | 571086419 |

Uno Minda Limited
Delhi

Srivastava

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

| | Category & Name of the shareholders | Entity Type | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % of | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of | (XII) | | (XIII) | | (XIV) |
| 1 | Indian | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | | | 6 | 225323426 | 0 | 0 | 225323426 | 39.3225 | 225323426 | 0 | 225323426 | 39.3225 | 0 | 39.3225 | 0 | 0.0000 | 0 | 0.0000 | 225323426 |
| | Nirmal K Minda | Promoters | AFYPM4910J | 1 | 129164420 | 0 | 0 | 129164420 | 22.5412 | 129164420 | 0 | 129164420 | 22.5412 | 0 | 22.5412 | 0 | 0.0000 | 0 | 0.0000 | 129164420 |
| | Suman Minda | Promoters | AAJPM6342C | 1 | 80001474 | 0 | 0 | 80001474 | 13.9615 | 80001474 | 0 | 80001474 | 13.9615 | 0 | 13.9615 | 0 | 0.0000 | 0 | 0.0000 | 80001474 |
| | Pallak Minda | Promoters | AMHPM6068M | 1 | 6772266 | 0 | 0 | 6772266 | 1.1819 | 6772266 | 0 | 6772266 | 1.1819 | 0 | 1.1819 | 0 | 0.0000 | 0 | 0.0000 | 6772266 |
| | Paridhi Minda | Promoters | AFVPM8321A | 1 | 6772266 | 0 | 0 | 6772266 | 1.1819 | 6772266 | 0 | 6772266 | 1.1819 | 0 | 1.1819 | 0 | 0.0000 | 0 | 0.0000 | 6772266 |
| | Anand Kumar Minda | Promoters | AIEPM6021H | 1 | 2413000 | 0 | 0 | 2413000 | 0.4211 | 2413000 | 0 | 2413000 | 0.4211 | 0 | 0.4211 | 0 | 0.0000 | 0 | 0.0000 | 2413000 |
| | Amit Minda | Promoters | AEVPM0217N | 1 | 200000 | 0 | 0 | 200000 | 0.0349 | 200000 | 0 | 200000 | 0.0349 | 0 | 0.0349 | 0 | 0.0000 | 0 | 0.0000 | 200000 |
| (b) | Central Government / State Government(s) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Financial Institutions / Banks | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Any Other (Specify) | | | 5 | 176107968 | 0 | 0 | 176107968 | 30.7336 | 176107968 | 0 | 176107968 | 30.7336 | 0 | 30.7336 | 0 | 0.0000 | 0 | 0.0000 | 176107968 |
| | Promoter Trust | | | 1 | 649380 | 0 | 0 | 649380 | 0.1133 | 649380 | 0 | 649380 | 0.1133 | 0 | 0.1133 | 0 | 0.0000 | 0 | 0.0000 | 649380 |
| | Maa Vaishno Devi Endowment | Promoter Group | AAAAM0906A | 1 | 649380 | 0 | 0 | 649380 | 0.1133 | 649380 | 0 | 649380 | 0.1133 | 0 | 0.1133 | 0 | 0.0000 | 0 | 0.0000 | 649380 |
| | Bodies Corporate | | | 4 | 175458588 | 0 | 0 | 175458588 | 30.6203 | 175458588 | 0 | 175458588 | 30.6203 | 0 | 30.6203 | 0 | 0.0000 | 0 | 0.0000 | 175458588 |
| | Minda Investments Ltd. | Promoter Group | [illegible] | 1 | 135549914 | 0 | 0 | 135549914 | 23.6556 | 135549914 | 0 | 135549914 | 23.6556 | 0 | 23.6556 | 0 | 0.0000 | 0 | 0.0000 | 135549914 |
| | Singhal Fincap Ltd. | Promoter Group | [illegible] | 1 | 16411426 | 0 | 0 | 16411426 | 2.8641 | 16411426 | 0 | 16411426 | 2.8641 | 0 | 2.8641 | 0 | 0.0000 | 0 | 0.0000 | 16411426 |
| | Minda International Ltd | Promoter Group | AAECM9862B | 1 | 16020000 | 0 | 0 | 16020000 | 2.7957 | 16020000 | 0 | 16020000 | 2.7957 | 0 | 2.7957 | 0 | 0.0000 | 0 | 0.0000 | 16020000 |
| | Minda Finance Ltd | Promoter Group | AAACM8882F | 1 | 7477248 | 0 | 0 | 7477248 | 1.3049 | 7477248 | 0 | 7477248 | 1.3049 | 0 | 1.3049 | 0 | 0.0000 | 0 | 0.0000 | 7477248 |
| | Sub Total (A)(1) | | | 11 | 401431394 | 0 | 0 | 401431394 | 70.0562 | 401431394 | 0 | 401431394 | 70.0562 | 0 | 70.0562 | 0 | 0.0000 | 0 | 0.0000 | 401431394 |
| 2 | Foreign | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Government | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Institutions | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Foreign Portfolio Investor | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (e) | Any Other (Specify) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Sub Total (A)(2) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2) | | | 11 | 401431394 | 0 | 0 | 401431394 | 70.0562 | 401431394 | 0 | 401431394 | 70.0562 | 0 | 70.0562 | 0 | 0.0000 | 0 | 0.0000 | 401431394 |

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :
(1) PAN would not be displayed on website of Stock Exchange(s)
(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Uno Minda Limited Delhi

Rivastava

Uno Minda Limited

Table III - Statement showing shareholding pattern of the Public shareholder

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: X | Class eg: y | Total | Total as a % of Total Voting Rights | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares: No. (a) | As a % of total Shares held(b) | Number of Shares pledged or otherwise encumbered: No. (a) | As a % of total shares held(b) | Number of equity shares held in dematerialized form | Sub-categorization of shares: Shareholding(No. of shares) under Sub-category(i) | Sub-category(ii) | Sub-category(iii) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % of (A+B+C2) | | | (IX) | | (X) | (XI)= (VII)+(X) As a % of | | (XII) | | (XIII) | (XIV) | | (XV) | |
| 1 | Institutions (Domestic) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Mutual Fund | | 28 | 88124519 | 0 | 0 | 88124519 | 15.3791 | [illegible] | 0 | 88124519 | 15.3791 | [illegible] | 15.3791 | 0 | 0.0000 | NA | NA | 88124519 | 0 | 0 | [illegible] |
| | Canara Robeco Mutual Fund A/c Canara Robeco [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | NA | [illegible] | [illegible] | [illegible] | [illegible] |
| | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | NA | [illegible] | [illegible] | 0 | [illegible] | [illegible] |
| | [illegible] Large & Midcap Fund | AABTS6407Q | 1 | 9636685 | 0 | [illegible] | [illegible] | [illegible] | 9636685 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | NA | NA | [illegible] | 0 | 0 | [illegible] |
| | Dsp Midcap Fund | AAAJD0430B | 1 | 9340491 | 0 | 0 | 9340491 | 1.6301 | 9340491 | 0 | 9340491 | 1.6301 | [illegible] | 1.6301 | 0 | 0.0000 | NA | NA | 9340491 | 0 | 0 | [illegible] |
| | [illegible] | AAETS9556K | 1 | 8914767 | [illegible] | [illegible] | [illegible] | 1.5558 | 8914767 | [illegible] | 8914767 | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | NA | [illegible] | [illegible] | 0 | [illegible] | [illegible] |
| | [illegible] | [illegible] | [illegible] | 7232661 | [illegible] | [illegible] | 7232661 | 1.2622 | 7232661 | 0 | [illegible] | [illegible] | 0 | [illegible] | [illegible] | 0.0000 | NA | NA | 7232661 | [illegible] | [illegible] | [illegible] |
| (b) | Venture Capital Funds | | [illegible] | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | [illegible] | 0.0000 | [illegible] | NA | 0 | | | |
| (c) | [illegible] | | 1 | [illegible] | [illegible] | [illegible] | 124181 | 0.0217 | 124181 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | NA | [illegible] | 124181 | [illegible] | [illegible] | [illegible] |
| (d) | Banks | | 1 | [illegible] | [illegible] | [illegible] | 608 | [illegible] | 608 | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | NA | 0 | [illegible] | 0 | [illegible] |
| (e) | Insurance Companies | | 9 | [illegible] | 0 | 0 | 6896045 | 1.2035 | 6896045 | 0 | 6896045 | 1.2035 | [illegible] | 1.2035 | 0 | 0.0000 | NA | NA | 6896045 | [illegible] | 0 | 0 |
| (f) | [illegible] | | 0 | [illegible] | [illegible] | [illegible] | 0 | [illegible] | 0 | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | | | |
| (g) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | 0.0000 | NA | NA | 0 | | | |
| (h) | [illegible] | | 0 | 0 | 0 | 0 | [illegible] | [illegible] | 0 | 0 | [illegible] | [illegible] | [illegible] | 0.0000 | 0 | 0.0000 | NA | NA | [illegible] | | | |
| (i) | NBFCs registered with RBI | | 1 | [illegible] | [illegible] | [illegible] | 3596626 | [illegible] | 3596626 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | 0.0000 | NA | NA | 3596626 | [illegible] | [illegible] | [illegible] |
| (j) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | 0.0000 | NA | NA | 0 | | | |
| (k) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| | Sub Total (B)(1) | | 40 | 98741979 | 0 | 0 | 98741979 | 17.2320 | [illegible] | 0 | 98741979 | 17.2320 | 0 | 17.2320 | 0 | 0.0000 | NA | NA | 98741371 | 0 | 0 | 0 |
| 2 | [illegible] | | | | | | | | | | | | | | | | | | | | | |
| (a) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (b) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (c) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (d) | Foreign Portfolio Investors Category I | | 170 | 36301800 | 0 | 0 | 36301800 | 6.3352 | [illegible] | 0 | 36301800 | 6.3352 | 0 | 6.3352 | 0 | [illegible] | NA | NA | 36301800 | 0 | 0 | 0 |
| (e) | Foreign Portfolio Investors Category II | | 12 | 1492787 | 0 | 0 | 1492787 | 0.2605 | 1492787 | 0 | 1492787 | 0.2605 | 0 | 0.2605 | 0 | 0.0000 | NA | NA | 1492787 | 0 | 0 | 0 |
| (f) | Overseas Depositories(holding DRs) (balancing figure) | | 0 | 0 | 0 | 0 | [illegible] | 0.0000 | 0 | 0 | [illegible] | 0.0000 | [illegible] | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| | Sub Total (B)(2) | | 182 | 37794587 | 0 | 0 | 37794587 | 6.5958 | [illegible] | 0 | 37794587 | 6.5958 | 0 | 6.5958 | 0 | 0.0000 | NA | NA | 37794587 | 0 | 0 | 0 |
| 3 | [illegible] | | | | | | | | | | | | | | | | | | | | | |
| (a) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (b) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (c) | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | | [illegible] | 0 | [illegible] | 0 | [illegible] | 0.0000 | 0 | [illegible] | [illegible] | 0.0000 | [illegible] | 0.0000 | 0 | 0.0000 | NA | NA | [illegible] | | | |
| | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| | [illegible] | | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | NA | [illegible] | [illegible] | | | |
| (a) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | NA | [illegible] | | | |
| (b) | Directors and their relatives (excluding Independent Directors and nominee Directors) | | 1 | 145184 | [illegible] | 0 | 145184 | 0.0253 | 145184 | [illegible] | 145184 | 0.0253 | [illegible] | 0.0253 | 0 | [illegible] | NA | NA | 145184 | 0 | 0 | [illegible] |
| (c) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| (D) | Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | | [illegible] | 0 | [illegible] | 0 | [illegible] | 0.0000 | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | 0.0000 | 0 | [illegible] | NA | NA | [illegible] | | | |
| (e) | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust" | | 0 | [illegible] | [illegible] | [illegible] | 0 | 0.0000 | [illegible] | [illegible] | [illegible] | [illegible] | 0 | 0.0000 | [illegible] | 0.0000 | NA | NA | [illegible] | | | |
| (f) | Investor Education and Protection Fund (IEPF) | | 1 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 696423 | [illegible] | [illegible] | [illegible] |
| (g) | i. Resident Individual holding nominal share capital up to Rs. 2 lakhs. | | 121199 | 26582139 | 0 | 0 | 26582139 | 4.6390 | [illegible] | 0 | 26582139 | 4.6390 | 0 | 4.6390 | 0 | 0.0000 | NA | NA | 24729558 | [illegible] | 0 | [illegible] |
| (h) | ii. [illegible] | | 18 | 3289577 | [illegible] | 0 | 3289577 | 0.57 | 3289577 | 0 | 3289577 | 0.57 | 0 | 0.57 | [illegible] | 0.0000 | NA | NA | 3289577 | 0 | 0 | 0 |
| (i) | [illegible] | | 2722 | 1307979 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.2283 | [illegible] | [illegible] | [illegible] | NA | 1307179 | 0 | [illegible] | [illegible] |
| (j) | [illegible] | | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | | | |
| (k) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | [illegible] | | | |
| (l) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] |
| (m) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] |
| | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | NA | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.1491 | 0 | [illegible] | [illegible] | [illegible] | NA | NA | [illegible] | [illegible] | [illegible] | [illegible] |
| | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | NA | NA | [illegible] | [illegible] | [illegible] | [illegible] |
| | Sub Total (B)(4) | | 125830 | 35045754 | 0 | 0 | 35045754 | 6.1160 | [illegible] | 0 | [illegible] | 6.1160 | 0 | 6.1160 | 0 | 0.0000 | NA | NA | 33119067 | 0 | 0 | 0 |
| | [illegible] (B)(1)+(B)(2)+(B)(3)+b(4) | | 126052 | 171582320 | 0 | 0 | 171582320 | 29.9438 | [illegible] | 0 | 171582320 | 29.9438 | 0 | 29.9438 | 0 | 0.0000 | NA | NA | 169655025 | 0 | 0 | 0 |

Details [illegible] and %):

| No. of shareholders | No. of Shares | % |
|---|---|---|
| 0 | | |

Details of Shares which remain [illegible] details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

| [illegible] | No. of Shares |
|---|---|
| [illegible] | 0 |

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

(4) Categorization and disclosure of each shareholder category should be carried out in the order prescribed in the above format. If a shareholder is falling under more than one category, then the same shall be classified in the category falling first in the order prescribed in the above format. Shareholding under any of the categories shall be unique and will not be

(5) Sub-categorization of shares under column no.(XV) will be based on shareholding(no. of shares)under the following sub-categories:

(i) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(i.e. Director)on the board of the listed entity.

(ii) Shareholder who have entered into shareholder agreement with the listed entity.

(iii) Shareholders acting as persons in concert with promoters.

Uno Minda Limited Delhi

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV)+(V)+ (VI) | (VIII) As a % of (A+B+C2) | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of (A+B+C2) | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/DR Holder | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| 2 | Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |

Note :
(1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

Uno Minda Limited Delhi

**Post Shareholding Pattern-Uno Minda Limited**

**Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

| | | |
|---|---|---|
| 1. | | Name of Listed Entity: Uno Minda Limited |
| 2. | | Scrip Code/Name of Scrip/Class of Security: 532539 |
| 3. | | Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) |
| | a. | If under 31(1)(b) then indicate the report for Quarter ending: 24 March, 2023 |
| | b. | If under 31(1)(c) then indicate date of allotment/extinguishment |
| 4. | | Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:- |

| | Particulars | Yes* | No* |
|---|---|---|---|
| 1 | Whether the Listed Entity has issued any partly paid up shares? | | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities or Warrants? | | No |
| 3 | Whether the Listed Entity has any shares against which depository receipts are issued? | | No |
| 4 | Whether the Listed Entity has any shares in locked-in? | | No |
| 5 | Whether any shares held by promoters are pledge or otherwise encumbered? | | No |

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

Table I - Summary Statement holding of specified securities

| Category | Category of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % of | (IX) | | | | (X) | (XI)= (VII)+(X) As a % | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 12 | 402241059 | 0 | 0 | 402241059 | 70.0972 | 402241059 | 0 | 402241059 | 70.0562 | 0 | 70.0562 | 0 | 0.0000 | 0 | 0.0000 | 402241059 |
| (B) | Public | 126057 | 171592525 | 0 | 0 | 171592525 | 29.9028 | 171592525 | 0 | 171592525 | 29.9438 | 0 | 29.9438 | 0 | 0.0000 | NA | NA | 169655025 |
| (C) | Non Promoter - Non Public | | | | 0 | | | | 0 | | | 0 | | | 0.0000 | NA | NA | |
| (C1) | Shares Underlying DRs | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| (C2) | Shares Held By Employee Trust | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total | 126069 | 573833584 | 0 | 0 | 573833584 | 100.0000 | 573833584 | 0 | 573833584 | 100.0000 | 0 | 100.0000 | 0 | 0.0000 | 0 | 0.0000 | 571896084 |

Uno Minda Limited
Delhi

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

| | Category & Name of the shareholders | Entity Type | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % | (IX) | | | | (X) | (XI)= (VII)+(X) As a | (XII) | | (XIII) | | (XIV) |
| | | | | | | | | | 573833584 | | | | | | | | | | | |
| 1 | Indian | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | | | 6 | 225324532 | 0 | 0 | 225324532 | 39.27 | 225324532 | 0 | 225324532 | 39.26453 | 0 | 39.27 | 0 | 0.0000 | 0 | 0.0000 | 225324532 |
| | Nirmal Kr Minda | Promoters | AFYPM9310J | 1 | 129165526 | 0 | 0 | 129165526 | 22.51 | 129165526 | 0 | 129165526 | 22.50923 | 0 | 22.51 | 0 | 0.0000 | 0 | 0.0000 | 129165526 |
| | Suman Minda | Promoters | AAJPM6342C | 1 | 80001474 | 0 | 0 | 80001474 | 13.94 | 80001474 | 0 | 80001474 | 13.94158 | 0 | 13.94 | 0 | 0.0000 | 0 | 0.0000 | 80001474 |
| | Pallak Minda | Promoters | AMHPM6068M | 1 | 6772266 | 0 | 0 | 6772266 | 1.18 | 6772266 | 0 | 6772266 | 1.180179 | 0 | 1.18 | 0 | 0.0000 | 0 | 0.0000 | 6772266 |
| | Paridhi Minda | Promoters | AFVPM8321A | 1 | 6772266 | 0 | 0 | 6772266 | 1.18 | 6772266 | 0 | 6772266 | 1.180179 | 0 | 1.18 | 0 | 0.0000 | 0 | 0.0000 | 6772266 |
| | Anand Kumar Minda | Promoters | AIEPM6021H | 1 | 2413000 | 0 | 0 | 2413000 | 0.42 | 2413000 | 0 | 2413000 | 0.420505 | 0 | 0.42 | 0 | 0.0000 | 0 | 0.0000 | 2413000 |
| | Amit Minda | Promoters | AEVPM0217N | 1 | 200000 | 0 | 0 | 200000 | 0.03 | 200000 | 0 | 200000 | 0.034853 | 0 | 0.03 | 0 | 0.0000 | 0 | 0.0000 | 200000 |
| (b) | Central Government / State Government(s) | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Financial Institutions / Banks | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Any Other (Specify) | | | 6 | 176916528 | 0 | 0 | 176916528 | 30.83 | 176916528 | 0 | 176916528 | 30.83 | 0 | 30.83 | 0 | 0.0000 | 0 | 0.0000 | 176916528 |
| | Promoter Trust | | | 1 | 649380 | 0 | 0 | 649380 | 0.11 | 649380 | 0 | 649380 | 0.11 | 0 | 0.11 | 0 | 0.0000 | 0 | 0.0000 | 649380 |
| | Maa Vaishno Devi Endowment | Promoter Group | AAAAM0906A | 1 | 649380 | 0 | 0 | 649380 | 0.11 | 649380 | 0 | 649380 | 0.11 | 0 | 0.11 | 0 | 0.0000 | 0 | 0.0000 | 649380 |
| | Bodies Corporate | | | 5 | 176267148 | 0 | 0 | 176267148 | 30.72 | 176267148 | 0 | 176267148 | 30.72 | 0 | 30.72 | 0 | 0.0000 | 0 | 0.0000 | 176267148 |
| | Minda Investments Ltd. | Promoter Group | AAACL1433F | 1 | 135817124 | 0 | 0 | 135817124 | 23.67 | 135817124 | 0 | 135817124 | 23.67 | 0 | 23.67 | 0 | 0.0000 | 0 | 0.0000 | 135817124 |
| | Singhal Fincap Ltd. | Promoter Group | AAFCS9851F | 1 | 16549513 | 0 | 0 | 16549513 | 2.88 | 16549513 | 0 | 16549513 | 2.88 | 0 | 2.88 | 0 | 0.0000 | 0 | 0.0000 | 16549513 |
| | Minda International Ltd | Promoter Group | AAECM8862B | 1 | 16020000 | 0 | 0 | 16020000 | 2.79 | 16020000 | 0 | 16020000 | 2.79 | 0 | 2.79 | 0 | 0.0000 | 0 | 0.0000 | 16020000 |
| | Minda Finance Ltd | Promoter Group | AAACM8882F | 1 | 7610768 | 0 | 0 | 7610768 | 1.33 | 7610768 | 0 | 7610768 | 1.33 | 0 | 1.33 | 0 | 0.0000 | 0 | 0.0000 | 7610768 |
| | Bar Investment and Finance Pvt. Ltd. | Promoter Group | AAACB0955E | 1 | 269743 | 0 | 0 | 269743 | 0.05 | 269743 | 0 | 269743 | 0.05 | 0 | 0.05 | 0 | 0 | 0 | 0 | 269743 |
| | Sub Total (A)(1) | | | 12 | 402241060 | 0 | 0 | 402241060 | 70.10 | 402241060 | 0 | 402241060 | 70.10 | 0 | 70.10 | 0 | 0.0000 | 0 | 0.0000 | 402241060 |
| 2 | Foreign | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Government | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Institutions | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Foreign Portfolio Investor | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (e) | Any Other (Specify) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Sub Total (A)(2) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2) | | | 12 | 402241060 | 0 | 0 | 402241060 | 70.10 | 402241060 | 0 | 402241060 | 70.10 | 0 | 70.10 | 0 | 0.0000 | 0 | 0.0000 | 402241060 |

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :
(1) PAN would not be displayed on website of Stock Exchange(s)
(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Uno Minda Limited Delhi

Srivastava

[illegible]
[illegible]

| | Category & Name of the shareholders | PAN | No. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialized form | Sub-categorization of shares | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | | Shareholding(No. of shares) under | | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | | Sub-category(i) | Sub-category(ii) | Sub-category(iii) |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV)+(V)+(VI) | (VIII) As a % of (A+B+C2) | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of (A+B+C2) | (XII) | | (XIII) | | (XIV) | (XV) | | |
| 1 | Institutions (Domestic) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Mutual Fund | | 28 | 88124519 | 0 | 0 | 88124519 | 15.3791 | 88124519 | 0 | 88124519 | 15.3791 | 0 | 15.3791 | 0 | 0.0000 | NA | NA | 88124519 | 0 | 0 | 0 |
| | Canara Robeco Mutual Fund A/C Canara Robeco I | AAATC3901G | 1 | 15304738 | 0 | 0 | 15304738 | 2.6709 | 15304738 | 0 | 15304738 | 2.6709 | 0 | 2.6709 | 0 | 0.0000 | NA | NA | 15304738 | 0 | 0 | 0 |
| | Axis Mutual Fund Trustee Limited A/C Axis Mutua | AACTA5925A | 1 | 12111132 | 0 | 0 | 12111132 | 2.1136 | 12111132 | 0 | 12111132 | 2.1136 | 0 | 2.1136 | 0 | 0.0000 | NA | NA | 12111132 | 0 | 0 | 0 |
| | Sbi Large & Midcap Fund | AABTS6407Q | 1 | 9636685 | 0 | 0 | 9636685 | 1.6818 | 9636685 | 0 | 9636685 | 1.6818 | 0 | 1.6818 | 0 | 0.0000 | NA | NA | 9636685 | 0 | 0 | 0 |
| | Dsp Midcap Fund | AAAJD0430B | 1 | 9340491 | 0 | 0 | 9340491 | 1.6301 | 9340491 | 0 | 9340491 | 1.6301 | 0 | 1.6301 | 0 | 0.0000 | NA | NA | 9340491 | 0 | 0 | 0 |
| | Idfc Flexi Cap Fund | AAETS9556K | 1 | 8914767 | 0 | 0 | 8914767 | 1.5558 | 8914767 | 0 | 8914767 | 1.5558 | 0 | 1.5558 | 0 | 0.0000 | NA | NA | 8914767 | 0 | 0 | 0 |
| | Icici Prudential Multicap Fund | AAAAI0038F | 1 | 7232661 | 0 | 0 | 7232661 | 1.2622 | 7232661 | 0 | 7232661 | 1.2622 | 0 | 1.2622 | 0 | 0.0000 | NA | NA | 7232661 | 0 | 0 | 0 |
| (b) | Venture Capital Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (c) | Alternate Investment Funds | | 1 | 124181 | 0 | 0 | 124181 | 0.0217 | 124181 | 0 | 124181 | 0.0217 | 0 | 0.0217 | 0 | 0.0000 | NA | NA | 124181 | 0 | 0 | 0 |
| (d) | Banks | | 1 | 608 | 0 | 0 | 608 | 0.0001 | 608 | 0 | 608 | 0.0001 | 0 | 0.0001 | 0 | 0.0000 | NA | NA | 0 | 0 | 0 | 0 |
| (e) | Insurance Companies | | 9 | 6896045 | 0 | [illegible] | [illegible] | 1.2035 | 6896045 | 0 | 6896045 | 1.2035 | 0 | 1.2035 | 0 | 0.0000 | NA | NA | 6896045 | 0 | 0 | 0 |
| (f) | [illegible] | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (G) | Asset Reconstruction Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (h) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (i) | NBFCs registered with RBI | | 1 | 3596626 | 0 | 0 | 3596626 | 0.6277 | 3596626 | 0 | 3596626 | 0.6277 | 0 | 0.6277 | 0 | 0.0000 | NA | NA | 3596626 | 0 | 0 | 0 |
| (j) | Other Financial Institutions | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (k) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(1) | | [illegible] | [illegible] | [illegible] | 0 | [illegible] | 17.2320 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 17.2320 | [illegible] | [illegible] | NA | [illegible] | [illegible] | [illegible] | 0 | [illegible] |
| 2 | Institutions (Foreign) | | | | | | | | | | | | | | | | | | | | | |
| (a) | [illegible] | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | [illegible] Venture [illegible] | | [illegible] | [illegible] | [illegible] | 0 | [illegible] | [illegible] | 0 | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | NA | NA | [illegible] | | | |
| (c) | [illegible] | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (d) | Foreign Portfolio Investors Category I | | 170 | 36301800 | 0 | 0 | 36301800 | 6.3352 | 36301800 | 0 | 36301800 | 6.3352 | 0 | 6.3352 | 0 | 0.0000 | NA | NA | 36301800 | 0 | 0 | 0 |
| (e) | Foreign Portfolio Investors Category II | | 12 | 1492787 | 0 | 0 | 1492787 | 0.2605 | 1492787 | 0 | 1492787 | 0.2605 | 0 | 0.2605 | 0 | 0.0000 | NA | NA | 1492787 | 0 | 0 | 0 |
| (f) | Overseas Depositories(holding DRs) (balancing figure) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(2) | | 182 | 37794587 | 0 | 0 | 37794587 | 6.5958 | 37794587 | 0 | 37794587 | 6.5958 | 0 | 6.5958 | 0 | 0.0000 | NA | NA | 37794587 | 0 | 0 | 0 |
| 3 | Central Government/ State Government(s) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Central Government / President of India | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | State Government / Governor | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (C) | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | | [illegible] | [illegible] | 0 | 0 | [illegible] | 0.0000 | 0 | 0 | [illegible] | 0.0000 | 0 | 0.0000 | [illegible] | 0.0000 | NA | NA | [illegible] | | | |
| | Sub Total (B)(3) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| 4 | Non-institutions | | | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (a) | [illegible] | | [illegible] | [illegible] | [illegible] | 0 | 0 | [illegible] | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | [illegible] | [illegible] | [illegible] | NA | [illegible] | [illegible] | | | |
| (b) | Directors and their relatives (excluding Independent Directors and nominee Directors) | | 1 | 145184 | [illegible] | 0 | 145184 | 0.0253 | 145184 | 0 | 145184 | 0.0253 | [illegible] | 0.0253 | 0 | 0.0000 | NA | NA | 145184 | 0 | [illegible] | 0 |
| (C) | [illegible] | | 2 | 375684 | 0 | 0 | 375684 | 0.07 | 375684 | 0 | 375684 | 0.07 | 0 | 0.07 | 0 | 0.0000 | NA | NA | 375684 | 0 | 0 | 0 |
| (D) | Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | | [illegible] | 0 | 0 | [illegible] | [illegible] | 0.0000 | 0 | [illegible] | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | [illegible] | | | |
| (E) | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust'' | | 0 | [illegible] | 0 | 0 | [illegible] | 0.0000 | 0 | 0 | 0 | [illegible] | 0 | 0.0000 | 0 | 0.0000 | NA | NA | [illegible] | | | |
| (F) | Investor Education and Protection Fund (IEPF) | | 1 | 696423 | 0 | 0 | 696423 | 0.1215 | 696423 | 0 | 696423 | 0.1215 | 0 | 0.1215 | 0 | 0.0000 | NA | NA | 696423 | 0 | 0 | 0 |
| (G) | i. Resident Individual holding nominal share capital up to Rs. 2 lakhs. | 573835584 | 121204 | 26592344 | 0 | 0 | 26592344 | 4.6390 | 26592344 | 0 | 26592344 | 4.6390 | 0 | 4.6390 | 0 | 0.0000 | NA | NA | 26802344 | 0 | 0 | 0 |
| (H) | ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs. | | 18 | 3289577 | 0 | [illegible] | 3289577 | 0.57 | 3289577 | 0 | 3289577 | 0.57 | 0 | 0.57 | 0 | 0.0000 | NA | NA | 3289577 | [illegible] | 0 | 0 |
| (I) | [illegible] | | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.2283 | [illegible] | [illegible] | [illegible] | 0.0000 | [illegible] | NA | [illegible] | [illegible] | [illegible] | [illegible] |
| (J) | Foreign Nationals | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (K) | Foreign Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (L) | Bodies Corporate | | 437 | 1438418 | 0 | 0 | 1438418 | 0.2510 | 1438418 | 0 | 1438418 | 0.2510 | 0 | 0.2510 | 0 | 0.0000 | NA | NA | 1365142 | 0 | 0 | 0 |
| (M) | Any Other (Specify) | | 1450 | 1210350 | 0 | 0 | 1210350 | 0.2112 | 1210350 | 0 | 1210350 | 0.2112 | 0 | 0.2112 | 0 | 0.0000 | NA | NA | 1210320 | 0 | 0 | 0 |
| | Trusts | | 6 | 283742 | 0 | 0 | 283742 | 0.0495 | 283742 | 0 | 283742 | 0.0495 | 0 | 0.0495 | 0 | 0.0000 | NA | NA | 283742 | 0 | 0 | 0 |
| | Body Corp-Ltd Liability Partnership | | 37 | 33201 | 0 | 0 | 33201 | 0.0058 | 33201 | 0 | 33201 | 0.0058 | 0 | 0.0058 | 0 | 0.0000 | NA | NA | [illegible] | 0 | 0 | 0 |
| | [illegible] | | 1362 | 854586 | 0 | 0 | 854586 | 0.1491 | 854586 | 0 | 854586 | 0.1491 | 0 | 0.1491 | 0 | 0.0000 | NA | NA | [illegible] | 0 | 0 | 0 |
| | Clearing Member | | 45 | 38821 | 0 | 0 | 38821 | 0.0068 | 38821 | 0 | 38821 | 0.0068 | 0 | 0.0068 | 0 | 0.0000 | NA | NA | 38821 | 0 | 0 | 0 |
| | [illegible] | | 125830 | 35045754 | 0 | 0 | 35045754 | 6.1160 | 35045754 | 0 | 35045754 | 6.1160 | 0 | 6.1160 | 0 | 0.0000 | NA | NA | 33119067 | 0 | 0 | 0 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4) | | 126057 | 171592521 | 0 | 0 | 171592521 | 29.9438 | 171592521 | 0 | 171592521 | 29.9438 | 0 | 29.9438 | 0 | 0.0000 | NA | NA | 169655025 | 0 | 0 | 0 |

Details of [illegible] in Concert [illegible] their Shareholding (No. and %):

| No. of shareholders | No. of Shares | % |
|---|---|---|
| 0 | | |

Details of [illegible] remain unclaimed [illegible] be [illegible] here [illegible] details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

| [illegible] | No. of Shares |
|---|---|
| 0 | 0 |

Note :
(1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.
(4) Categorization and disclosure of each shareholder category should be carried out in the order prescribed in the above format. If a shareholder is falling under more than one category, then the same shall be classified in the category falling first in the order prescribed in the above format. Shareholding under any of the categories shall be
(5) Sub-categorization of shares under column no.(XV) will be based on shareholding(no. of shares)under the following sub-categories:
(i) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(i.e. Director)on the board of the listed entity.
(ii) Shareholder who have entered into shareholder agreement with the listed entity.
(iii) Shareholders acting as persons in concert with promoters.

Uno Minda Limited
Delhi

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a % of | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/DR Holder | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| 2 | Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |

**Note :**

**(1) PAN would not be displayed on website of Stock Exchange(s).**

**(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.**

**(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.**

Uno Minda Limited
Delhi